

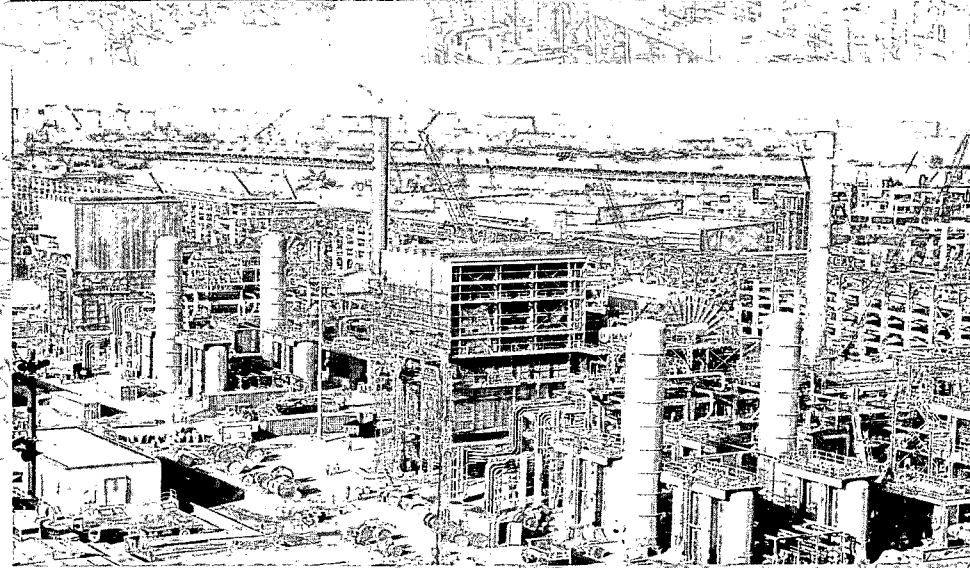
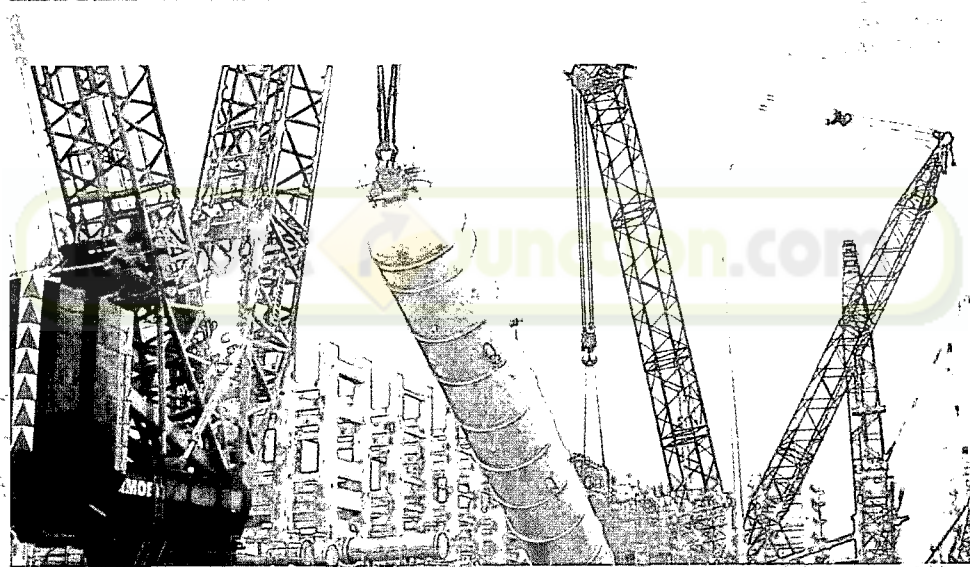
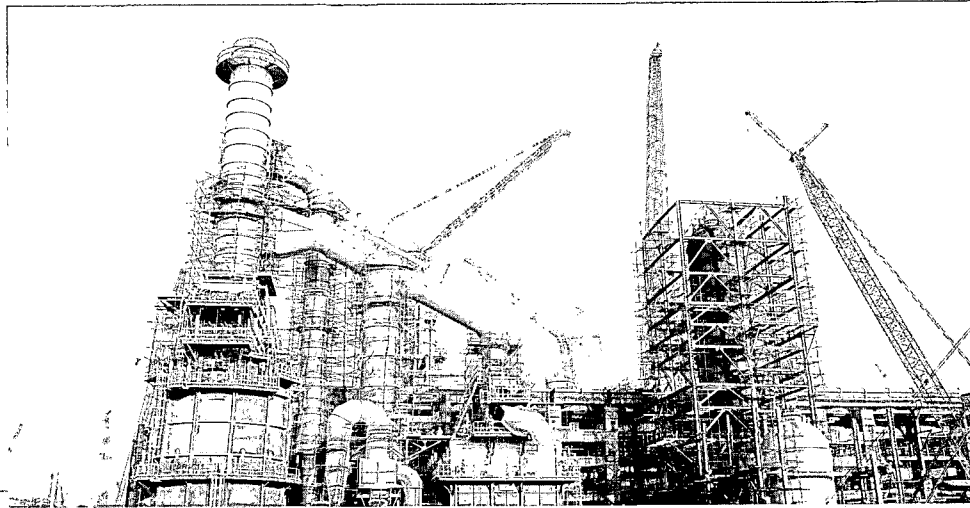
Refining Life. Redefining Growth.

Annual Report 2007-2008



Reliance
Petroleum Limited

Redefining Project Execution



Letter to Shareholders

Dear Shareowners,

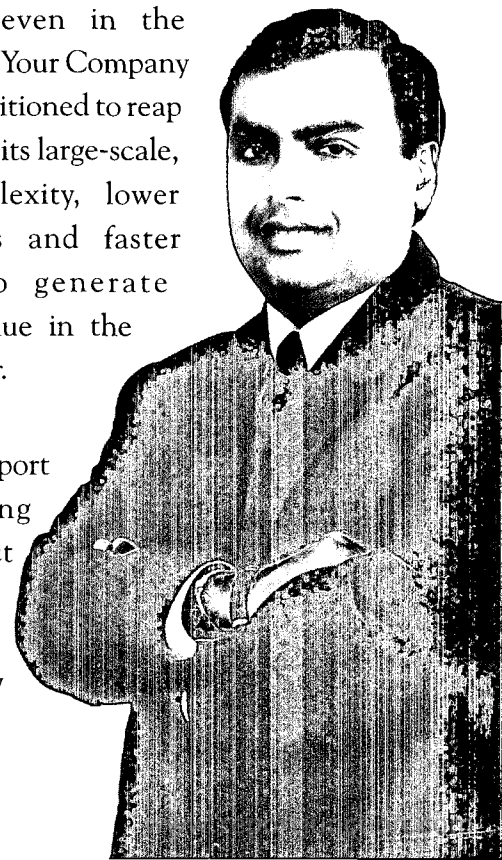
I am delighted to share with you the Company's progress in setting up its complex refinery in a Special Economic Zone at Jamnagar.

Your Company has accomplished an overall progress of 90% with comprehensive advancement on all implementation fronts surpassing several significant milestones. The engineering, procurement and contracting activities were completed during the year, while the construction progress for the complex crossed 80% mark. Deliveries and installation of over-dimensional cargos have been completed, while bulk materials are nearing completion. I expect that the refinery will commence operations ahead of December '08. The likely completion of the refinery in less than 36 months is set to create a new record for project implementation in the global refining sector. This is a significant achievement when viewed in the context of worldwide resource crunch that has resulted in extraordinary delays and cancellation of several new and expansion projects by refiners across the world.

During the last year, the Indian economy remained buoyant and posted a growth rate of just under 9%, enough to stimulate demand and growth. I believe that

the growth momentum of the last four years is unlikely to suffer overtly. The demand for energy continues unabated, with China and India easily taking up any slack that might have resulted from a slowdown in the West. The global refining industry fundamentals remain strong with robust demand, tight product supplies and slow growth in new capacities. The industry has withstood the pressures of high oil prices and perceived the threat of slower economic expansion, led by the United States. With global refining system remaining stretched and continuing delays in new capacities, the outlook for refining industry remains positive. Complex refiners will gain further from expected wide light-heavy differentials even in the medium term. Your Company is thus well positioned to reap the benefits of its large-scale, higher complexity, lower capital costs and faster schedule to generate significant value in the refining sector.

In order to support commissioning of the project ahead of schedule, your Company



has already begun the start-up planning for the refinery and the operations preparedness. Once commissioned, Jamnagar will be the “Refining Capital of the World” and the RPL refinery will become the 6th largest refinery in the world.

Your Company has also completed the long-term debt financing for the project and in all, contracted term debt to the tune of Rs. 15,750 crore at costs much lower than comparable projects anywhere in the world.

Your Company is poised to benefit from emerging opportunities in the

sector to create superior value for its shareholders.

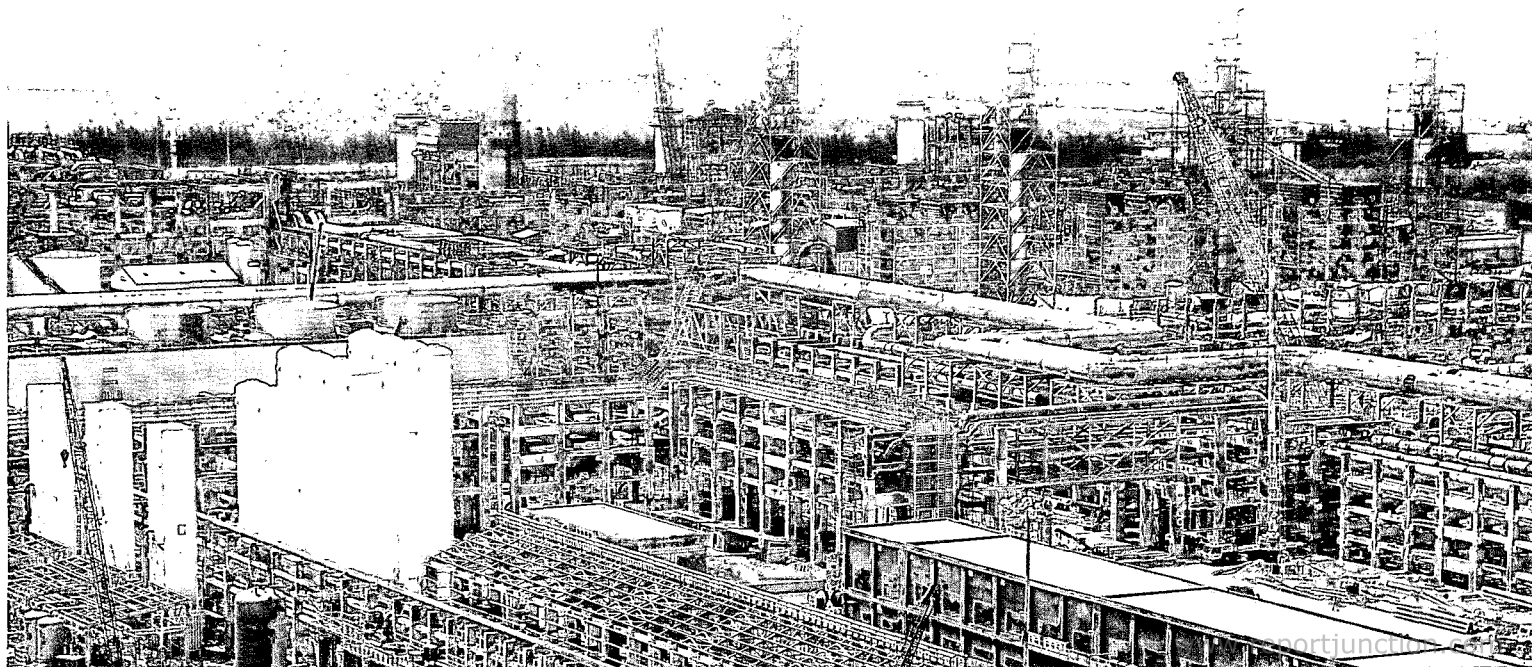
I would like to take this opportunity to express my gratitude to the Board of Directors, bankers, employees, suppliers and the shareholders for their unstinted support and the confidence reposed on us.

With best wishes
Sincerely,



Mukesh D. Ambani
Chairman

Report Junction.com





Company Information

Board of Directors

Mukesh D. Ambani – Chairman
 Hital R. Meswani
 P. M. S. Prasad
 Yogendra P. Trivedi
 Mahesh P. Modi
 Atul S. Dayal
 Bobby Parikh
 Jagjeet Singh Bindra
 (Upto October 23, 2007)
 Michael Warwick
 (From July 18, 2007)
 Joffrey R. Pryor
 (From January 15, 2008)
 John R. Digby
 (Alternate Director for Joffrey R. Pryor)

Company Secretary

Ramesh Kumar Damani

Board Committees :

Audit Committee

Yogendra P. Trivedi – Chairman
 Mahesh P. Modi
 Bobby Parikh

Shareholders' / Investors' Grievance Committee

Yogendra P. Trivedi – Chairman
 Mahesh P. Modi
 Hital R. Meswani

Auditors

Chaturvedi & Shah
 Deloitte Haskins & Sells

Project Location

Special Economic Zone,
 Taluka Lalpur,
 District Jamnagar – 361 140
 Gujarat, India.

Registered Office

Motikhavdi,
 P.O. Digvijayagram,
 District Jamnagar – 361 140.
 Gujarat, India.

Corporate Office

3rd Floor, Maker Chambers IV,
 222, Nariman Point,
 Mumbai – 400 021.
 Maharashtra, India.
 E-mail: investor_relations@reliancepetroleum.com
<http://www.reliancepetroleum.com>

Registrar & Transfer Agents

Karvy Computershare Private Limited
 46, Avenue 4, Street No. 1,
 Banjara Hills, Hyderabad 500 034, India
 Tel +91 40 2332 0666, 2332 0711
 2332 3031, 2332 3037
 Fax +91 40 2332 3058
 E-mail: rplinvestor@karvy.com
<http://www.karvy.com>

**Third Annual General Meeting
 on Saturday, June 7, 2008 at 9.30 a.m.**

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Notice

Notice is hereby given that the Third Annual General Meeting of the Members of RELIANCE PETROLEUM LIMITED will be held on Saturday the 7th June, 2008 at 9.30 a.m., at Motikhavdi, P.O. Digvijaygram, District Jamnagar 361 140, being the place where the Registered Office of the Company is situate, to transact the following businesses:

Ordinary Business:

1. To consider and adopt the audited Balance Sheet as at March 31, 2008 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Directors in place of those retiring by rotation.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s. Chaturvedi & Shah, Chartered Accountants and M/s. Deloitte Haskins & Sells, Chartered Accountants be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as will be fixed by the Board of Directors."

Special Business :

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Michael Warwick, who was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member, in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

By Order of the Board of Directors

Ramesh Kumar Damani
Company Secretary

Mumbai
April 16, 2008

Registered Office:

Motikhavdi, P.O. Digvijaygram,
District Jamnagar 361 140
Gujarat, India.



NOTES :

1. A member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the Meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In terms of Article 155 of the Articles of Association of the Company, Mr. Atul S Dayal and Mr. Bobby Parikh, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A brief resume of these Directors, nature of their expertise in specific functional areas, and names of companies in which they hold directorship and membership/chairmanship of Board Committees, as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors of the Company commend their respective re-appointments.
5. Members are requested to bring their Attendance Slip alongwith their copy of the Annual Report to the Meeting.
6. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Register of Members and Transfer Books will remain closed from Monday June 2, 2008 to Saturday June 7, 2008 (both days inclusive).

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956

Item No. 4

The Board of Directors of the Company (the Board), under Section 260 of the Companies Act, 1956 (the Act) and Article 135 of the Articles of Association of the Company, appointed Mr. Michael Warwick as an Additional Director of the Company with effect from July 18, 2007.

In terms of Section 260 of the Act, Mr. Michael Warwick holds office upto the date of this Annual General Meeting.

The Company has received a notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. Michael Warwick for the office of Director of the Company under Section 257 of the Act.

Mr. Michael Warwick is not disqualified from being appointed as Director under Section 274(1)(g) of the Act and has complied with the requirement of obtaining the Director Identification Number in terms of Section 266A of the Act. The Company has received the requisite Form 'DD-A' from Mr. Michael Warwick, in terms of Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003 confirming his eligibility for such appointment.

A brief resume of Mr. Michael Warwick, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges in India, are provided in Report on Corporate Governance forming part of the Annual Report.

Except Mr. Michael Warwick, no Director of the Company is, in any way, concerned or interested in this resolution.

By Order of the Board of Directors

Ramesh Kumar Damani
Company Secretary

Mumbai
April 16, 2008

Management's Discussion and Analysis

Forward Looking Statements

This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, product development, market position, expenditures and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realised. The company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

Introduction

Reliance Petroleum Limited ("RPL" or the "Company") has made substantial progress during the year in implementation of its large and complex refinery, being built at Jamnagar in Gujarat on the west coast of India. RPL was set up with the objective of creating significant value by harnessing the emerging opportunities in the global energy sector, arising out of several years of under investment in refining capacity. The Company is setting up a 580,000 barrels of crude oil per stream day (BPSD) greenfield petroleum refinery and 0.9 million tonnes per annum polypropylene plant in a Special Economic Zone (SEZ) at Jamnagar. On completion, the RPL refinery will be the sixth largest in the world with a Nelson Complexity Index of 14.0, which is amongst the highest amongst similar large refineries in the world. The refinery and petrochemical complex is being set up at a capital cost of Rs. 27,000 crores. RPL is a subsidiary of Reliance Industries Limited (RIL), which is India's largest private sector company on all major financial parameters. RIL is a global Fortune 500 company with leadership position in all its key businesses, both in India and globally. RPL benefits further from its strategic alliance with Chevron Corporation USA, a global super major in the energy sector.

RPL refinery implementation ahead of schedule; Well poised to create superior shareholder value

During the year, RPL has set a blistering pace on all fronts and achieved 90% overall progress in implementation of its world-class, complex refinery at Jamnagar in Gujarat. RPL

expects to complete the refinery project ahead of schedule. This is despite global shortage of engineering and construction resources and vendor manufacturing capacities that are resulting in extraordinary delays and cancellation of several new and expansion projects by refiners across the world. The completion of the RPL refinery in less than 36-months will be a new record for project implementation of similar large refineries across the world.

In a positive industry environment that augurs well for large and complex refineries, RPL is well poised to create enhanced value for its shareholders by completing the project ahead of schedule and at capital cost much lower than that of similar refineries and further leveraging its synergy with RIL.

- The RPL refinery is being set up at a capital cost of less than US\$ 10,000 per barrel per day (BPD). This is substantially lower than the capital cost being incurred by other refineries globally. According to International Energy Agency (IEA), capital cost for new refinery projects is well in excess of US\$ 20,000 per barrel per day. When adjusted for complexity, the RPL refinery fares even better. Its capital cost of US\$ 665 per complexity barrel per day is much lower than the average capital cost of US\$ 2,600 per complexity barrel per day for new refinery projects globally.
- The RPL refinery will be one of the most complex refineries in the world with a Nelson Complexity Index of 14.0. This will enable the refinery to process various 'challenged crude' varieties to produce superior quality products that meet stringent specifications and command price premiums. This is a significant competitive advantage in the current industry landscape of increasingly heavy and sour new crude finds, which have led to wide light heavy differentials.
- The RPL refinery is located adjacent to the existing refinery and petrochemicals complex of RIL, which is amongst the largest and most efficient in the world, thus offering significant synergies. Through exchange of best practices and leveraging mutual strengths, RPL will gain significantly in the areas of operational efficiency, logistics, cost effective crude sourcing, optimised product placement and risk management.
- Finally, the RPL refinery will gain from an early mover advantage in a market that is being considered by experts as an 'extended golden era of refining', resulting in high gross refining margins.

Overview of the Implementation Progress

The Company has made rapid strides on all implementation



fronts during the year. The overall project progress catapulted from about 50% to 90% this year. In doing so, the Company has surpassed several significant milestones, including completion of engineering, procurement and contracting activities as well as substantial completion of equipment deliveries and their installation at site. The year also witnessed rapid progress in construction activities, leading to a dramatic change in the skyline of the project site at Jamnagar.

During the year, the project engineering activities were completed with release of all required drawings for concreting, structural steel works, underground and above-ground piping as well as electrical and instrumentation activities. Successful completion of this massive engineering effort in 28 months reflects the success of a massive team effort that involved over 7,500 engineering experts, who worked from several interconnected locations across the world.

The achievement on the procurement front is equally significant. All procurement and contracting activities for equipments and bulk materials have been completed. Deliveries of key equipment and their installation gained significant momentum during the year. The Company has so far received over 5,350 equipments, including several over dimensional consignments (ODCs) and super heavy equipments, from vendors across the world. This represents over 93% of equipment scope for the project. Deliveries of bulk materials, including pipes, fittings as well as electrical and instrumentation bulks matched the pace of equipment deliveries and their installation. Overall procurement progress now stands at 99% and focus has shifted towards achieving a close-out and vendor follow-up for residual deliveries.

Having transitioned successfully to the construction phase during the last year, construction activities gained enhanced momentum during the year. The Company achieved near completion of civil construction with 2.0 million cubic meters of concreting works done at site. Over 4,000 equipments, including several super heavy equipments, have already been installed and are at various stages of completion and testing. Over 95% of structural steel fabrication work, 74% of structural erection and 94% of underground piping works are now complete. Substantial progress has been achieved in the areas of above-ground pipe fabrication and erection as well. The construction activities are at peak and RPL is fully geared to sustain construction on fast track. Simultaneously, considerable progress has been made on the start-up planning and operations preparedness activities to support commissioning of the refinery.

Project Financing

During this year, the Company completed its long term debt borrowing program by tying up the balance term debt required

for the refinery project. The Company raised further rupee term debt of Rs. 900 crore and also committed foreign currency debt of US\$ 500 million with commercial banks and US\$ 775 million with Export Credit Agencies during the year. With this, the Company has completed long term debt financing for the Project and in all, has contracted term debt to the extent of Rs. 15,750 crore, as envisaged.

Industry Overview and Prospects

The sector fundamentals remain intact and augur well for complex refiners like RPL. During the year, the industry environment remained encouraging with robust demand, tight product supplies and slow growth in new capacities in an already stretched refining system - all of which resulted in superior refining margins for most part of the year. This was despite a rising and volatile crude price environment that resulted in crude prices climbing inexorably to peak above \$100 per barrel levels. Complex refiners gained further from sustained wide light-heavy differentials that reflected changing global crude dynamics.

Demand Resilience despite high oil prices

The global demand for petroleum products grew strongly from 84.90 million BPD to 86.0 million BPD, reflecting a growth of 1.3% in 2007. While the demand from Non-OECD countries grew by 1.2 million BPD, driven primarily by China, Middle East and Latin America, the actual demand from OECD nations shrank by 0.2 million BPD due to sluggish economic activity, higher oil prices and mild weather conditions, particularly in the pacific region.

Looking ahead, even with slower economic expansion outlook, the IEA expects to see continued strong growth in global demand for petroleum products and forecasts it to grow by 1.5% to 87.2 million BPD in 2008. A substantial part of the growth will be driven by increased consumption in China, India and the Middle East that are witnessing continued strong economic growth. Importantly, the medium term outlook remains strong with demand for petroleum products expected to grow at a compounded annual rate of 2.2% during 2008 to 2012. IEA expects the actual consumption to increase to 95.8 million barrels per day in 2012 (Source: IEA Mid Term Outlook - July 2007).

Transportation fuels driving the growth

The shift in demand towards cleaner and lighter transportation fuels continued during the year. Aggregate demand for gasoline, diesel and jet-kero grew by 1.2% as against a marginal decline in consumption of fuel oil during 2007. This trend is likely to continue even in the future. According to World Refining and Fuel Service - Hart, gasoline, diesel and jet-kero are expected to record a compounded annual growth rate of 1.7%, 2.5% and 2.2% respectively till

2010. Residual fuel oil is expected to see sluggish growth during this period due to continued substitution of natural gas in power generation and heavy industrial applications.

Greening of Fuels

Meanwhile, the trend of tightening product specifications continued in several regions of the world. A significant milestone will be reached in 2009, when most countries in the major oil consuming regions like the EU and Asia, will mandate a 10 ppm sulphur content in both diesel and gasoline. The current standard for sulphur content in the United States is 15 ppm for diesel and 30 ppm for gasoline and that for Canada is 15 ppm for both. Europe has further reduced the maximum limit for sulphur content in Gasoil from 2000 ppm to 1000 ppm from January 2008. These present new trade opportunities for complex refiners, like RPL.

Refinery capacity and utilization trends

Meanwhile, in contrast to strong demand growth, global refining capacity grew only marginally, from 85.1 million BPD to 85.3 million BPD in 2007, as per Oil & Gas Journal Worldwide Report. The increase in capacity was largely on account of capacity creep by select players, according to Oil & Gas Worldwide Refinery Report. This resulted in additional pressure on the global refining system that was already stretched with an operating rate of 85.3%. The average capacity utilization for refineries in North America, Europe and Asia was at 86.2%, 83.9% and 85.7% during 2007, as against 87.0%, 85.0% and 87.0% respectively in 2006. This set the stage for continued strength in refining margins.

Looking beyond, the IEA estimates additional crude distillation capacity requirement of about 9.7 million BPD towards meeting the estimated global demand by 2012. Though several large capacity announcements have taken place in recent years, their progress so far has been quite slow on account of rising costs and resource shortages. This augurs well for early movers like RPL.

GRM performance

The year witnessed significant volatility in refining margins globally. The refining margins peaked during the second quarter due to booming light product cracks and tightened product markets but dropped during the third quarter on the back of higher crude prices and reduced cracks. The fourth quarter witnessed a further fall in US Gulf Coast margins, but Singapore complex margins increased on the strength of record high jet-kero and gas oil cracks. Though averaged a shade lower than the previous year, global benchmarks remained above historical averages. These higher complex margins were supported by tightened product markets, booming light product cracks and unplanned maintenance by large refiners.

The medium term outlook for refining margins appear positive due to continuing robust growth in demand, limited conversion capacity, stretched refinery utilization and lagging new capacity build-up. Complex refiners would gain further from (i) higher premiums for ultra clean products in the western markets and (ii) changing crude dynamics sustaining the wide light-heavy differentials.

The average light heavy differentials remained high at around US\$ 5.4 per barrel during the year as against US\$ 5.6 per barrel during last year. The outlook remains positive given the likely slump in production of light crude volumes and with incremental production being in the "challenged" category. This will immensely benefit complex refiners, like RPL, who have the ability to process heavy and sour crudes as well as produce value added products.

Crude price movements and outlook

During the year, crude prices continued to rise and touched a new high, with the WTI peaking at \$110.4 per barrel in March 2008. Spurt in crude prices were due to a combination of geopolitical events and unplanned outages of some of the oil production fields. The prices continued to hover at historically high levels with Brent, WTI and Dubai crude prices averaging at US\$82.8, US\$81.6 and US\$76.5 per barrel during the year, reflecting an increase of 29%, 26% and 25% respectively over the corresponding levels of previous year. According to oil price forecast by various analysts, crude oil prices are expected to remain within the \$70 - 96 per barrel range, which is a significant upward revision from the earlier estimates.

Opportunities and Challenges

The Company sees an exciting opportunity in global refining on the back of continuing strong growth in demand, slow growth in capacities and upgrades as well as tightening product specifications. While these would support superior margins, the continuing wide light-heavy differentials would be a margin booster for complex refiners, like RPL. The likely completion of its refinery project ahead of schedule at significantly lower capital costs and its potential synergies with RIL provides RPL with an opportunity to further enhance value. The challenge ahead of RPL is to ensure seamless transition of the refinery project from its construction phase to a start-up phase. RPL will leverage the learnings and experience of RIL and ensure the same.

Internal Controls

RPL has a defined organization structure and has developed well documented policy guidelines with predefined authority levels. An extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and regulations has also been implemented. The



Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded, and reported correctly. Also, it has an exhaustive budgetary control system to monitor capital related as well as other costs, against approved budgets on an ongoing basis.

Health, Safety and Environment

Health

The Company has built a fully equipped occupational health center within the project site as well as medical centres in all employee colonies. The occupational health center is equipped with round-the-clock availability of doctors, paramedics and ambulances capable of providing intensive care. Preventive medication through comprehensive examination of all new workers and studies and audits for health risk assessments are conducted periodically.

In addition, RPL is committed to support community medical initiatives of the Reliance Group. These initiatives involve provision of free preventive and curative health care to nearby communities and also participating in national health programs such as Pulse Polio, Revised National Tuberculosis Control Program, National Immunization Program and Maternal and Child Health from time to time.

Safety

The Company believes that safety is integral to efficient business management and has benchmarked its processes to the highest standards of safety at the project site. During the year, RPL established a safety facility consisting of 35 qualified safety professionals, supported by an expert safety manager from Bechtel and from its Group Centre for HSE Excellence. Also, the Company enhanced and nurtured safety organisations of all contractors during the year, resulting in availability of more than 150 trained safety professionals at the project site.

Sound safety systems and procedures are in place with well laid out standards that are accredited and enhanced by international safety experts. Their implementation and compliance is strictly monitored. Regular audits are also conducted by internal and external experts.

Continuous efforts with respect to safety, training and education are RPL's commitment to the safety program. During the year, the Company developed and implemented many new safety training modules, based on the phase of project, risk assessment and learning from incidents. There is continuous effort for increasing awareness amongst site personnel through safety leaflets, handouts, display of safety signs, posters and other instructions.

Monitoring of safety performance is conducted through a central safety committee and around 15 area safety committees are in force. All incidents are reported, investigated and classified. Learning from these incidents are shared, during 'Tool Box Talk' sessions, area meetings, etc. with regard to identified causes and preventive measures to avoid reoccurrence.

Environment

The Company is committed to ensuring the highest standards of environment management and strict compliance with regulatory requirements at all times. The objective is to create an environmentally conducive eco-system at the location.

Towards this end, the Company has taken utmost care at various stages of project implementation viz. planning, design, construction towards compliance with applicable laws. This mega project is being implemented with virtually no ecological disturbance and the Company proposes to create green belts that are beyond statutory norms.

The refinery is designed to produce environmentally stringent "green fuels". It will also be a zero effluent refinery with the entire water being recycled. It is expected that the various water bodies that are being created at the location will not only help in water management, but also attract various species of birds.

Social Responsibility and Community Development

The Company continued extending helping hand towards social and economic development of the villages and the communities located close to its operations and also providing assistance to improving their quality of life. During year, activities focused on improving the village infrastructure by constructing concrete roads, creating drainage facilities, school buildings, water tanks & pipelines etc and supply of drinking water, education support etc. The Company has made investments towards implementation of these development activities in the village area of Kanalus, Padana, Kanachikari, Derachikari and Navagam.

In addition, towards maintaining and supporting cows in surrounding villages, new cow-sheds for Kanalus and Kanachikari villages were constructed and handed over to the residents of these villages. These cowsheds receive regular fodder supply from RPL at Jamnagar.

Simultaneous to these, the Company furthered its community development activities by laying the drinking water pipelines for the benefit of residents at the village Kanachikari and also building a new primary school building at Navagam during the year. The Company also assisted in repairing of village schools at other nearby villages.

Persons constituting Group coming within the definition of 'group' as defined in the Monopolies and Restrictive Trade Practice Act, 1969 include the following :

Reliance Industries Limited (Promoter)	Reliance Hypermart Limited
Chevron India Holdings Pte. Limited (Promoter)	Reliance Industrial Infrastructure Limited
Abcus Retail Private Limited	Reliance Industrial Investment & Holdings Limited
Advantage Retail Private Limited	Reliance Industries (Middle East) DMCC
Bigdeal Retail Private Limited	Reliance Integrated Agri Solutions Limited
Delight Proteins Limited	Reliance International Exploration and Production Inc.
Gapco Kenya Limited	Reliance Jamnagar Infrastructure Limited
Gapco Rwanda SARL	Reliance Leisures Limited
Gapco Tanzania Limited	Reliance Lifestyle Holdings Limited
Gapco Uganda Limited	Reliance Loyalty & Analytics Limited
Gapoil Tanzania Limited	Reliance Netherlands BV
Gapoil Zanzibar Limited	Reliance Nutraceuticals Private Limited
Gulf Africa Petroleum Corporation (Mauritius)	Reliance Petroinvestments Limited
Peninsula Land Kenya Limited	Reliance Pharmaceuticals (India) Private Limited
Recron (Malaysia) Sdn Bhd	Reliance Polyolefins Private Limited
Reliance Agri Products Distribution Limited	Reliance Retail Finance Limited
Reliance Aromatics and Petrochemicals Private Limited	Reliance Retail Insurance Broking Limited
Reliance Autozone Limited	Reliance Retail Limited
Reliance Brands Limited	Reliance Retail Securities and Broking Company Limited
Reliance Chemicals Private Limited	Reliance Retail Travel & Forex Services Limited
Reliance Commercial Associates Limited	Reliance Strategic Investments Limited
Reliance Dairy Foods Limited	Reliance Supply Chain Solutions Limited
Reliance Digital Media Limited	Reliance Trade Services Centre Limited
Reliance Energy and Project Development Private Limited	Reliance Trends Limited
Reliance Exploration & Production DMCC	Reliance Universal Ventures Limited
Reliance F&B Services Limited	Reliance Ventures Limited
Reliance Financial Distribution and Advisory Services Limited	Reliance Wellness Limited
Reliance Food Processing Solutions Limited	Reliancedigital Retail Limited
Reliance Footprint Limited	RESQ Limited
Reliance Fresh Limited	Retail Concepts and Services (India) Limited
Reliance Gems and Jewels Limited	RIL (Australia) Pty Ltd
Reliance Global Management Services Limited	Strategic Manpower Solutions Limited
Reliance Haryana SEZ Limited	Transenergy Kenya Limited
Reliance Home Store Limited	Wavely Investments Limited



Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 3rd Annual Report and the audited accounts of the Company for the year ended March 31, 2008.

Operations – Implementation of the Project

The Company has set a blistering pace on all implementation fronts and achieved 90% overall progress in implementation of its world-class, complex Refinery Project at Jamnagar in Gujarat. The Company leveraged the benefits of its 'intelligent repeat' designs and the impeccable project management and execution skills of the Reliance group successfully. The Company has surpassed several significant milestones, including near completion of engineering, procurement and contracting activities, substantial completion of equipment deliveries and equipment installations at site. The year also witnessed rapid progress in the construction activities, leading to a dramatic change in the skyline of the project site at Jamnagar.

Encouraged by the rapid progress achieved on the construction and pre-commissioning front, the Company expects to commission the refinery ahead of its initial schedule. Accordingly, the Company has shifted focus on start-up planning and operations preparedness activities to support early commissioning of the Refinery in 2008.

The Company has completed the long term debt financing for the Project and in all, has contracted term debt to the tune of Rs. 15,750 crore.

As on March 31, 2008, the Company has utilised Rs. 23,319 crore for the Project. The projected utilisation of funds as per the Prospectus dated April 28, 2006 was Rs. 22,130 crore. The variation is mainly due to payments in advance under various project contracts to ensure continued efficient and speedy implementation of the Project.

The Company has not commenced revenue operations hence no Profit and Loss Account has been prepared.

Management's Discussion & Analysis Report

A detailed review of the progress of the Project and the future outlook of the Company and its business, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

Directors

Under the provisions of Section 260 of the Companies Act, 1956 and Article 135 of the Articles of Association of the Company, Mr. Michael Warwick was appointed as an

additional director, with effect from July 18, 2007. He shall hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member proposing the candidature of Mr. Michael Warwick for the office of a Director liable to retire by rotation.

Mr. Jagjeet Singh Bindra, nominee of Chevron, resigned from the office of the Director of the Company with effect from October 23, 2007. The Board records its appreciation for the valuable contribution made by him during his tenure as Director of the Company.

In terms of Article 131A of the Articles of Association, Chevron had nominated Mr. Joffrey R. Pryor as its nominee director on the Board with effect from January 15, 2008.

In terms of the provisions of Section 313 of the Companies Act, 1956 and Article 131A of the Articles of Association of the Company, Mr. John R. Digby was appointed as an Alternate Director to act for Mr. Joffrey R. Pryor.

In terms of Article 155 of the Articles of Association, Mr. Atul S. Dayal and Mr. Bobby Parikh, retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting.

Promoter Group Companies

Pursuant to intimation from Promoter i.e. Reliance Industries Limited, names of Promoters and companies comprising the "group" as defined in the Monopolies and Restrictive Trade Practices Act, 1969, have been disclosed in the Annual Report of the Company for the purpose of Regulation 3(1)(e) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there is no material departure from the same;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2008;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and

for preventing and detecting fraud and other irregularities; and

- (iv) the directors have prepared the annual accounts of the Company on a 'going concern' basis.

Secretarial Audit Report

Your Company appointed Dr. K. R. Chandratre, Practising Company Secretary, to conduct Secretarial Audit of the Company for the financial year ended March 31, 2008. The Secretarial Audit Report addressed to the Board of Directors of the Company is attached to this Annual Report. The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 1956, Depositories Act, 1996, Listing Agreement with Stock Exchanges, Securities Contract (Regulation) Act, 1956 and all the Regulations of SEBI as applicable to the Company including SEBI (Disclosure and Investor Protection) Guidelines, 2000, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and the SEBI (Prohibition of Insider Trading) Regulations, 1992.

Auditors and Auditors' Report

M/s. Chaturvedi & Shah, Chartered Accountants and M/s. Deloitte Haskins & Sells, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letters from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, the particulars of employees are set out in annexure to this Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act read with the Clause 32 of the Listing Agreement, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as

required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are as under:

Conservation of Energy

From the early stages of plant design, very conscious efforts were made to minimise energy consumption and as the design efforts continued, more and more innovations and improvements were introduced to further reduce energy consumption. Some additional energy conservation features incorporated in the past year are as under:

1. Use of back pressure steam turbo generator (STG) sets to generate incremental electrical power while reducing steam pressures to meet process requirements.
2. Use of very low pressure steam, which generally would be wasted, to heat process lines requiring heating, thus avoiding use of electrical energy for such heating.
3. Use of evaporative cooling in large areas requiring cooling in place of conventional air-conditioning.
4. Collection, purification and recirculation of hydrocarbon waste products (Waste Gas Recovery) that would otherwise be flared, improving the yield of the process.

The savings resulting from energy saving measures would be realised once the refinery is commissioned.

Technology Absorption

Number of new Technologies have been introduced in the new refinery. Major technology suppliers are UOP and Exxon Mobile Research and Engineering Co. During the design and engineering stage, the concepts were understood and incorporated in the Refinery. Now, as the Refinery start up is closer, operations teams have been sent to the technology suppliers' facilities for hands-on training and familiarisation. These teams have spent considerable time in similar facilities operational elsewhere in the world and learned the detailed aspects of safety, operation, optimisation, quality control etc. Upon return, the teams are engaged in further training other team members and new recruits so that entire operations team is fully prepared for smooth start up in days to come.

Foreign Exchange Earnings and Outgo

Foreign Exchange Earned : Nil

Foreign Exchange Used : Rs. 9936, 57, 98, 606/-

**Corporate Governance**

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the stipulations set out in the Listing Agreement with the Stock Exchanges.

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges forms part of the Annual Report.

Certificate from the Auditors of the Company, M/s Chaturvedi & Shah, and M/s Deloitte Haskins & Sells confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this Report.

Acknowledgment

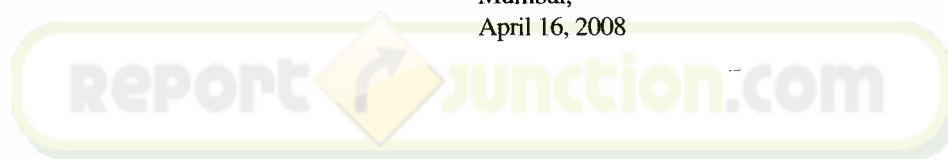
Reliance Industries Limited, the parent company, has been involved in the Project since inception and is extending comprehensive support to the Company. Your Directors take this opportunity to express its sincere appreciation of the commitment extended by Reliance Industries Limited to the Project.

Your Directors also place on record their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, vendors and members during the year under review. Your Directors wish to place on record their appreciation for the committed services of the executives, staff and workers of the Company.

For and on behalf of the Board of Directors

Mukesh D. Ambani
Chairman

Mumbai,
April 16, 2008



Report on Corporate Governance

Corporate Governance is the set of policies, processes and practices governing the affairs of a company in pursuit of its business goals. Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. As stakeholders across the globe evince keen interest in the practices and performance of companies, Corporate Governance has emerged on the centre stage. Good governance practices stem from the culture and mindset of the organization.

Reliance Petroleum Limited, as a part of the Reliance Group, endeavours to adopt best practices of Corporate Governance.

Over the years, governance processes and systems have been strengthened and institutionalized at Reliance. Effective implementation of these policies underpins the commitment of the Company to uphold highest principles of Corporate Governance consistent with the Company's goal to enhance shareholder value.

Keeping in view the Company's size, complexity, global operations and corporate traditions, the Company's Governance framework is based on the following main principles:

- Constitution of a Board of Directors of appropriate composition, size, varied expertise and commitment to discharge their responsibilities and duties.
- Ensuring timely flow of information to the Board and its Committees to enable them discharge their functions effectively.
- A sound system of risk management and internal control.
- Independent verification and safeguarding integrity of the Company's financial reporting.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders.
- Transparency and accountability.
- Fair and equitable treatment of all stakeholders including employees, customers, shareholders and investors.
- Compliance with all the rules and regulations.

The Company recognises that good Corporate Governance is a continuing exercise and is committed to follow the best practices in the overall interest of the stakeholders.

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges in India (Clause 49) and the best practices followed internationally on corporate governance, the details of governance systems and processes are as under:

1. Company's philosophy on Code of Governance

The Company's philosophy on corporate governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations, and in all its interactions with its stakeholders, including shareholders, employees, lenders and the Government. The Company is committed to achieve and maintain the highest standards of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time.

2. Board Composition and Particulars of Directors

Board Composition

The Board of Directors of the Company ("the Board") consists of 9 Directors, out of which 5 are Independent Directors. Composition of the Board and category of Directors are as follows

Category	Name of the Directors
Non-Independent Non-Executive Directors	Mukesh D. Ambani – <i>Chairman</i> Hital R. Meswani P. M. S. Prasad Joffrey R. Pryor ¹ John R. Digby ² (Alternate to Joffrey R. Pryor)
Independent Non-Executive Directors	Yogendra P. Trivedi Mahesh P. Modi Atul S. Dayal Bobby Parikh Michael Warwick ³

¹ Mr. Joffrey R. Pryor was appointed as a Nominee Director of Chevron with effect from January 15, 2008 after the resignation of Mr Jagjeet Singh Bindra.

² Mr. John R. Digby was appointed as an Alternate Director to act for Mr. Joffrey R. Pryor.

³ Mr. Michael Warwick was appointed as an Additional Director with effect from July 18, 2007.

All the Independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the tests of their being independent as laid down under Clause 49. All such declarations are placed before the Board.

No Director is related to any other Director on the Board.



What constitutes Independence for Directors

For a Director to be considered Independent, the Board determines that the Director does not have any direct or indirect material pecuniary relationship with the Company. The Board has adopted guidelines to determine independence, which are in line with the applicable legal requirements.

Lead Independent Director

The Board of Directors of the Company designated Mr. Yogendra P. Trivedi as a Lead Independent Director. The role of Lead Independent Director is as follows:

- To preside over meetings of Independent Directors.
- To ensure that there is adequate and timely flow of information to Independent Directors.
- To liaise between the Chairman, Management and the Independent Directors.
- To preside over meetings of the Board and Shareholders when the Chairman is not present or where he is an interested party.
- To perform such other duties as may be delegated to the Lead Independent Director by the Board/Independent Directors.

Directors' Profile

Brief resume of all the Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership/chairmanship of Board Committees are provided below:

- a) **Mr. Mukesh D. Ambani** is a Chemical Engineer from the University of Bombay and pursued MBA from Stanford University, USA. He is the son of Shri Dhirubhai H. Ambani, Founder Chairman of the Reliance Group. Mr. Ambani joined Reliance in 1981 and initiated Reliance's backward integration from textiles into polyester fibres and further into petrochemicals, petroleum refining and oil and gas exploration and production. In this process, he directed the creation of several new world-class manufacturing facilities involving diverse technologies that have raised Reliance's petrochemicals manufacturing capacities from less than a million tonnes to 19.6 million tonnes per year.

Mr. Ambani directed and led the creation of the world's largest grassroots petroleum refinery at Jamnagar, India, with a current capacity of 660,000 barrels per day (33 million tonnes per year) integrated with petrochemicals, power generation, port and related infrastructure.

Mr. Ambani had set up one of the largest and most complex information and communications technology initiative in the world in the form of Reliance Infocomm Limited (now Reliance Communications Limited).

Mr. Ambani is also steering Reliance's initiatives in a world scale, offshore, deep water oil and gas exploration and production program, development of infrastructure facilities and implementation of a pan-India organized retail network spanning multiple formats and supply chain infrastructure and setting up of the Company's Refinery and polypropylene plant at Jamnagar.

Mr. Ambani's accolades include:

- Bestowed the US-India Business Council (USIBC) 'Global Vision' 2007 Award for Leadership in 2007
- Invited to be a member of the World Business Council for Sustainable Development (WBCSD). He is the only Indian CEO to be a Council Member of WBCSD.
- Conferred the Degree Honoris Causa, Honorary Doctorate by the Maharaja Sayajirao University in 2007.
- Conferred the India Business Leadership Award by CNBC-TV18 in 2007
- Conferred 'ET Business Leader of the Year' Award by The Economic Times (India) in the year 2006.
- Received the first NDTV-Profit 'Global Indian Leader Award' from Hon'ble Prime Minister of India, Mr. Manmohan Singh in New Delhi in the year 2006
- Had the distinction and honour of being the co-chair at the World Economic Forum in Davos, Switzerland.
- Ranked 42nd among the 'World's Most Respected Business Leaders' and second among the four Indian CEOs featured in a survey conducted by Pricewaterhouse Coopers and published in Financial Times, London, November, 2004.
- Conferred the World Communication Award for the 'Most Influential Person in Telecommunications by Total Telecom, October, 2004.
- Conferred the 'Asia Society Leadership Award' by the Asia Society, Washington D.C., USA, May, 2004.

Mr. Ambani is a member of the Prime Minister's Council on Trade and Industry, Government of India and the Board of Governors of the National Council of Applied Economic Research, New Delhi. He is a member of the Indo-US CEOs Forum, the International Advisory Board of Citigroup, International Advisory Board of the National Board of Kuwait, and McKinsey Advisory Council.

He is the Chairman, Board of Governors of the Indian Institute of Management, Bangalore and a member of the Advisory Council of the Indian Institute of Technology, Mumbai. He is also a member of the Advisory Council for the Graduate School of Business of the Stanford University.

Details of his other directorships and committee memberships are as under:

1. Reliance Industries Limited -Chairman and Managing Director and member of Shareholders' / Investors' Grievance Committee
2. Reliance Retail Limited - Chairman
3. KDA Enterprises Private Limited - Director
4. Pratham India Education Initiative- Director
5. Reliance Europe Limited - Director

Mr. Mukesh D. Ambani does not hold any share of the Company in his name as on March 31, 2008.

- b) **Mr. Hital R. Meswani**, graduated with honours in the Management & Technology programme from University of Pennsylvania. He received a B.S. Degree in Chemical Engineering and B.S. Economics from the Wharton Business School, both from University of Pennsylvania, U.S.A.

Mr. Meswani joined Reliance Industries Limited in 1990. He is on the Board of Reliance Industries Limited as Wholetime Director designated as Executive Director since August 4, 1995, with overall responsibility of the Petroleum Business, all manufacturing and project activities of the group including Jamnagar, Patalganga and Hazira Complexes.

Mr. Meswani is member of the Shareholders'/Investors' Grievance Committee of the Company. Details of his other directorships and committee memberships are as under:

1. Reliance Industries Limited - Executive Director and Chairman of health, safety & environment committee and member of the shareholders'/investors' grievance committee and finance committee.
2. Reliance Industrial Investments and Holdings Limited - Director and Chairman of audit committee.
3. Reliance Commercial Dealers Private Limited - Director

Mr. Hital R. Meswani holds 2,88,216 shares of the Company in his name as on March 31, 2008.

- c) **Mr. P. M. S. Prasad**, holds a bachelor's degree in engineering and has been with Reliance Industries Limited for 26 years. He has held various positions in the fibres, petrochemicals and petroleum businesses of Reliance Industries Limited. He currently heads the

upstream and refining business, which comprises of exploration and production, refining and supply and aromatics. He was the project head of the Jamnagar refinery and petrochemicals complex.

Mr. Prasad is Manager and Chief Executive Officer of the Company. Details of his other directorships and committee memberships are as under:

1. Reliance Gas Transportation and Infrastructure Limited - Director and member of audit committee
2. Reliance Jamnagar Infrastructure Limited - Director and member of audit committee
3. Reliance Petroinvestments Limited - Director
4. Reliance K G Exploration & Production Private Limited - Director
5. Reliance Upstream Private Limited - Director
6. Delphinus Commercial Private Limited - Director
7. Reliance Cauvery Exploration & Production Private Limited - Director
8. Reliance Mahanadi Exploration & Production Private Limited - Director
9. Reliance KG Basin E & P Private Limited - Director
10. Reliance Krishna Godavari Exploration & Production Private Limited - Director
11. Reliance Oil and Gas E & P Private Limited - Director
12. Reliance Commercial Dealers Private Limited - Director

Mr. Prasad holds 14,411 shares of the Company in his name as on March 31, 2008

- d) **Mr. Yogendra P. Trivedi**, is a practicing as Senior Advocate, Supreme Court. He is a member of the Rajya Sabha. He is holding important positions in various fields viz., economic, professional, political, commercial, education, medical, sports and social fields. He has received various awards and merits for his contribution in various fields. He was a Director in Central Bank of India and Dena Bank amongst many other reputed companies. He is the past President of Indian Merchants' Chamber and presently on the Managing Committee of ASSOCHAM and International Chamber of Commerce.

Mr. Trivedi is also a Member of Indian Merchants' Chamber, All India Association of Industries, Western India Automobile Association, etc.

Mr. Trivedi is the Chairman of the Audit Committee and Shareholders'/Investors' Grievance Committee of the Company. Details of his other directorships and committee memberships are as under:



1. Reliance Industries Limited - Director and Chairman of audit committee, corporate governance and stakeholders' interface committee, employee stock compensation committee and retail business committee member of shareholder's / investor grievance committee and remuneration committee.
2. Birla Power Solutions Limited - Director and Chairman of audit committee
3. Clare Mont Trading Private Limited - Director
4. Colosseum Sports & Recreation International - Director
5. Metro Exporters Private Limited - Director
6. Monica Travels Private Limited - Director
7. New Consolidated Construction Company Limited - Director and member of audit committee.
8. Safari Industries (India) Limited - Director
9. Sai Service Station Limited - Chairman of the board and member of audit committee
10. Seksaria Biswan Sugar Factory Limited - Director and member of audit committee and remuneration committee
11. Supreme Industries Limited - Director
12. Trivedi Consultants Private Limited - Chairman
13. Zandu Pharmaceuticals Works Limited - Chairman and Chairman of audit committee
14. Zodiac Clothing Company Limited-Director and member of audit committee and compensation committee.
15. Birla Cotsyn (India) Limited - Director

Mr. Trivedi holds 18,747 shares of the Company in his name as on March 31, 2008.

- e) **Mr. Mahesh P. Modi**, M.Sc. (Econ.) (London) has held high positions in Government of India as Chairman of Telecom Commission; Secretary, Ministry of Coal; Special Secretary, Insurance and Joint Secretary, Ministry of Petroleum, Chemicals and Fertilizers. He has considerable management experience, particularly in the fields of energy, insurance, petrochemicals and telecom.

Mr. Modi is member of the Audit Committee and Shareholders'/Investors' Grievance Committee of the Company. Details of his other directorships and committee memberships are as under:

1. Reliance Industries Limited - Director and member of audit committee, corporate governance and stakeholders' interface committee and employee stock compensation committee.
2. ICICI Prudential Life Insurance Company Limited - Director and Chairman of audit committee.

Mr. Modi holds 14,411 shares of the Company in his name as on March 31, 2008.

- f) **Mr. Atul S. Dayal**, holds a bachelor's degree in science and an LLB. He has been a practicing Solicitor since 1974, he is sole proprietor of Messrs A S Dayal and Associates focusing on the areas of corporate law, indirect taxation and international commercial contracts and mergers and acquisitions.

Details of other directorships and committee memberships of Mr. Dayal are as under:

1. Reliance Retail Finance Limited - Director and member of audit committee
2. Arcadia Estates and Developments Private Limited - Director
3. Gammon India Limited - Director and member of audit committee
4. Goa Publications Private Limited - Director
5. Pavna Agro Farms Private Limited - Director
6. Prime Tradecom Private Limited - Director.
7. Pudumjee Agro Industries Limited - Director
8. SMS Biopharma Private Limited - Director
9. Spectrum Informative Services Private Limited - Director

Mr. Dayal holds 14,411 shares of the Company in his name as on March 31, 2008.

- g) **Mr. Bobby Parikh**, is the Managing Partner of BMR Advisors and leads its Financial Services practice. BMR is a professional services organization offering a range of Tax, Risk, M&A Advisory and Managed Services for local and global businesses of all sizes. Prior to joining BMR, he was the Chief Executive Officer of Ernst & Young in India and the Country Managing Partner of Andersen till the practice combined with that of Ernst & Young in June 2002. He has a Bachelor's degree in Commerce from the Mumbai University and qualified as a Chartered Accountant in 1987.

Mr. Parikh is member of the Audit Committee of the Company and a director on Board of BMR Advisors Private Limited.

Mr. Parikh holds 36,662 shares of the Company in his name as on March 31, 2008.

- h) **Mr. Michael Warwick**, is Mechanical Engineer from Sheffield University and MBA from London Business School. He was, until his retirement in 2006, the CEO of Shell Trading which is the Shell Group's vehicle responsible for Shell's global trading activity in Oil, Gas, Power and Chemicals, transacting some 14 million barrels/day of oil equivalent. He is a member of the International Advisory Board of Kuwait Petroleum Corporation and a Director of Essent Trading International, a Geneva based company dedicated to the trading of Gas and Power in Europe.

Mr. Warwick is not a Director in any other company incorporated in India.

Mr. Warwick does not hold any shares of the Company in his name as on March 31, 2008.

- i) **Mr. Joffrey R. Pryor**, is vice president of Chevron Corporation for Business Development. Mr. Pryor is petroleum engineer from Mississippi State University. Mr. Pryor held a succession of management positions in Chevron with increasing responsibilities in Asia, the United States, Europe and former Soviet Union. Mr. Pryor is a co-chairman of Nigerian Business Coalition Against HIV/AIDS. He is a member of the Society of Petroleum Engineers and founded the society's first branch in Kazakhstan.

Mr. Pryor is not a Director in any other company incorporated in India.

Mr. Pryor does not hold any shares of the Company in his name as on March 31, 2008.

- j) **Mr. John R. Digby**, graduated from the University of Sussex in 1979 with bachelor's degrees in Economics and Modern Languages. He also holds a post-graduate diploma with the Chartered Institute of Marketing. Mr. Digby is president of Chevron Petroleum India Private Limited. He is responsible for the company's overall activities throughout India with focus on business development across the energy value chain.

Mr. Digby is a director on Board of Chevron Petroleum India Private Limited.

Mr. Digby does not hold any shares of the Company in his name as on March 31, 2008.

3. Board Meetings, Committee Meetings and Procedures

A. Institutionalised Decision Making Process

With a view to institutionalise all corporate affairs and set up systems and procedures for advance planning for matters requiring discussion/ decisions by the Board, the Company has defined guidelines for the meetings of the Board and Committees thereof. These Guidelines seek to systematise the decision making process at the meetings of the Board/Committees in an informed and efficient manner.

B. Scheduling and Selection of Agenda Items for Board Meetings

- (i) Minimum four Board Meetings are held in each year, which are pre-scheduled. Apart from the four pre-scheduled Board Meetings, additional Board Meetings can be convened by giving appropriate

notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

- (ii) The meetings are normally held at the Company's Corporate Office at Maker Chambers IV, 222, Nariman Point, Mumbai 400 021.
- (iii) All divisions/departments of the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion/ approval / decision at the Board / Committee Meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board / Committee Meetings.
- (iv) The Board is given presentations covering Industry Environment, Project Implementation, Project Financing and operations of the Company, before taking on record the status of project implementation for the preceding quarter at each of the pre-scheduled Board Meetings.

The information placed before the Board includes:

- Business plans, capital budgets and any updates.
- Quarterly financial statement and status of project implementation and expected date of commissioning of the project.
- Quarterly status relating to unutilised money raised by the company through the Initial Public Offer and the form in which the same has been invested.
- Minutes of meetings of Audit Committee and other Committees of the Board, as also abstracts of Resolutions passed by circulation, if any.
- Appointment or resignation of Chief Financial Officer and Company Secretary.
- Significant development in Human Resources/ Industrial Relations.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Quarterly summary of all long-term borrowings made, bank guarantees issued, loans and investments made.
- Internal Audit findings and External Audit Management Reports (through the Audit Committee)
- Status of business risk exposures, its management and related action plans.
- Investment of surplus funds.
- General notices of interest of directors.
- Terms of reference of Board Committees.



- (v) The Chairman of the Board and the Company Secretary in consultation with other concerned team members of the senior management, finalise the agenda papers for the Board meetings.

C. Board Material Distributed in Advance

Agenda and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information is incorporated in the Agenda Papers for facilitating meaningful and focussed discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

D. Recording Minutes of Proceedings at Board and Committee Meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the members of the

Board / Committee for their comments. The finalised minutes of proceedings of a meeting are entered in the Minutes Book within 30 days from the conclusion of that meeting.

E. Post Meeting Follow-up Mechanism

The Guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the decisions taken by the Board and Committees thereof. Action taken report on the decisions of the previous meetings(s) is placed at the immediately succeeding meeting of the Board/ Committee for noting by the Board/Committee.

F. Compliance

The Company Secretary while preparing the agenda, notes on agenda, minutes etc. of the meeting(s), is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956 read with the Rules issued thereunder and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

4. Attendance of Directors at Board Meetings, last Annual General Meeting and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various companies

Name of the Director	Attendance of meetings during 2007-08		Number of other Directorship (*)	Number of Membership(s)/ Chairmanship(s) of committees of other companies (**)
	Board Meetings	Last AGM		
Mukesh D. Ambani	4	Yes	2	1
Hital R. Meswani	4	Yes	2	2 (including 1 as Chairman)
P. M. S. Prasad	3	No	3	2
Yogendra P. Trivedi	4	Yes	11	8 (including 3 as Chairman)
Mahesh P. Modi	4	Yes	2	2 (including 1 as Chairman)
Atul S. Dayal	3	No	3	2
Bobby Parikh	4	Yes	-	-
Michael Warwick ¹	2	-	-	-
Joffrey R. Pryor ²	0	-	-	-
John R. Digby ³	1	-	-	-

¹ Mr. Michael Warwick was appointed as an Additional Director with effect from July 18, 2007.

² Mr. Joffrey R. Pryor was appointed as a Nominee Director of Chevron with effect from January 15, 2008, after resignation of Mr. Jagjeet Singh Bindra who resigned as a Director of the Company on October 23, 2007. Mr. Jagjeet Singh Bindra had attended all the meeting of the Board during his tenure.

³ Mr. John R. Digby was appointed as an Alternate Director to act for Mr. Joffrey R. Pryor.

* The Directorships held by Directors, do not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.

** In accordance with Clause 49 of the Listing Agreement, Memberships / Chairmanships of only the Audit Committees and Shareholders'/Investors' Grievance Committees of all Public Limited Companies have been considered.

5. Number of Board Meetings held and the dates on which held

Four Board meetings were held during the year. The Company has held at least one Board meeting in every three months and the maximum time gap between any such two meetings was not more than four months. The details of the Board meetings are as under:

Date	Board Strength	Number of Directors Present
April 25, 2007	8	8
July 16, 2007	8	6
October 16, 2007	9	9
January 15, 2008	9	9

6. Board Committees**A. Standing Committees**

Details of the Standing Committees of the Board and other related information are provided hereunder

(i) Audit Committee

The Board has constituted Audit Committee, comprising three Independent Non-Executive Directors, namely Mr. Yogendra P. Trivedi, Chairman, Mr. Mahesh P. Modi and Mr. Bobby Parikh. All the members of the Audit Committee possess financial / accounting expertise. The constitution of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Mr. Ramesh Kumar Damani, Company Secretary, is the Secretary to the Audit Committee. Executives from Finance Department, Secretarial Department, Head of Internal Audit and Representatives of the Statutory Auditors/Internal Auditors are invited to attend the Audit Committee Meetings.

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

The terms of reference/powers of the Audit Committee has been specified by the Board of Directors as under :

A. The Audit Committee shall have the following powers:-

- To investigate any activity within its terms of reference.
- To seek information from any employee.

- To obtain outside legal or other professional advice.

- To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. The role of the Audit Committee shall include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of the audit fees.
- Approval of payment to the statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of related party transactions, if any.
 - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the



internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audits.

- viii. Discussion with internal auditors regarding any significant findings and follow up thereon.
 - ix. Reviewing the findings of any internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - x. Discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern.
 - xi. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 - xii. To review the functioning of the Whistle Blower mechanism, if and when introduced.
 - xiii. Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and / or other Committee(s) of Directors of the Company.
- C. Information for Review:**
- i. Management discussion and analysis of financial condition and results of operations.
 - ii. Statement of significant related party transactions (as may be defined by the audit committee), submitted by management.
 - iii. Management letters / letters of internal control weaknesses issued by the statutory auditors.
 - iv. Internal audit reports relating to internal control weaknesses.
 - v. Appointment, removal and terms of remuneration of the Chief Internal Auditor.
 - vi. Uses / application of funds raised through public issues, rights issues, preferential issues, etc.
 - vii. Review of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.)

Attendance of each Member of Audit Committee at meetings held during the year

Four Committee meetings were held during the year which were attended by all members of the Committee.

(ii) Shareholders' / Investors' Grievance Committee

The Board has constituted Shareholders' / Investors' Grievance Committee ("the Committee") comprising Mr. Yogendra P. Trivedi (Chairman), Mr. Mahesh P. Modi and Mr. Hital R. Meswani.

The Committee, inter alia, oversees and reviews all matters connected with the investor services in connection with applications received and shares allotted in the Initial Public Offer, status of refund account, conversion of partly paid shares into fully paid shares, rematerialisation and dematerialisation of shares and transfer of shares of the Company. The Committee oversees performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Board has delegated the power of approving transfer of securities to the officers of the Company.

Three Committee meetings were held during the year which were attended by all the members of the Committee.

Compliance Officer

Mr. Ramesh Kumar Damani, Company Secretary is the Compliance Officer for complying with the requirements of the Listing Agreement with the Stock Exchanges in India and Mr. Atul Kumar Tandon, Assistant Company Secretary is the Compliance Officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992.

Complaints from investors

During the year under review, the Company had received and resolved 588 complaints for non receipt of refund orders.

There was one outstanding complaint as on March 31, 2008, which has since been resolved.

For effective and efficient grievance management, the Company has dedicated E-mail ID, investor_relations@reliancepetroleum.com

B. Functional Committees

The Board may, from time to time, constitute one or more Functional Committees delegating thereto

powers and duties with respect to specific purposes. Meetings of such Committees will be held as and when the need arises. Time schedule for holding the meetings of such functional committee(s) will be finalised in consultation with the Committee Members.

Procedure at Committee Meetings

The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as may be practicable. Each Committee has the authority to engage outside experts, advisers and counsel to the extent it considers appropriate to assist it in its work. Minutes of the proceedings of the Committee meetings are placed before the Board meetings for perusal and noting.

7. Remuneration to Directors

The following directors have been paid sitting fee at the rate of Rs. 20,000 for attending each meeting of the Board and/or Committee thereof for 2007-2008 as per details below:

Name	Sitting Fees Paid (Rs.)
Mr. P. M. S. Prasad	60000
Mr. Yogendra P. Trivedi	220000
Mr. Mahesh P. Modi	220000
Mr. Atul S. Dayal	60000
Mr. Bobby Parikh	160000

The Company has not granted stock options to its Directors.

8. Code of Business Conduct and Ethics for Directors and Senior Management

The Company is committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

The Company believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems commensurate with the risks involved.

The Board of Directors at its meeting held on July 21, 2006 adopted the Code of Business Conduct and Ethics for Directors and Senior Management ("the Code"). A copy of the Code has been put on the Company's website www.reliancepetroleum.com.

The Code has been circulated to all the members of the Board and Senior Management and the compliance of

the same has been affirmed by them. A declaration signed by the Chief Executive Officer is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the financial year 2007-08."

P. M. S. Prasad
Chief Executive Officer

9. Corporate Governance Manual

The Board of Directors of the Company, approved and adopted a comprehensive Corporate Governance Manual setting out the procedures for effective functioning of the Board and its Committees. It also incorporates the Code of Business Conduct and Ethics for Directors and Senior Management, Code of Ethics for Employees and Policy on Prohibition of Insider Trading. These policies are regularly monitored and reviewed.

10. General Body Meetings

The Company was incorporated on October 24, 2005 and has convened so far two Annual General Meetings. The location, date and time of the Annual General Meetings convened by the Company is as follows:

Year	Location	Date & Time
2005-06 1st AGM	Motikhavdi, P.O. Digvijaygram	April 28, 2006 11.00 a.m.
2006-07 2nd AGM	District Jamnagar 361 140	July 16, 2007 3.00 p.m.

There was no special resolution passed by the Company at the first Annual General Meeting. There was one Special Resolution passed by the Company at the second Annual General Meeting for alteration of Articles of Association. During the year ended March 31, 2008, no resolution was passed by the Company through postal ballot. At the ensuing Annual General Meeting also, there is no resolution proposed to be passed through postal ballot.

11. a. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their relatives, or subsidiaries, etc. that may have potential conflict with the interests of the Company at large.

Attention of Members is drawn to the disclosures of transactions with the related parties set out in



Notes on Accounts - Schedule 'J', forming part of the Annual Report.

The Company's related party transactions are generally with its Holding Company and Associates. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, optimization of Company's resources, legal requirements, liquidity and capital resources.

All related party transactions are negotiated on arms length basis and are only intended to further the interests of the Company.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets, during the last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets since incorporation and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

12. Means of communication

- **Quarterly Disclosures:** Quarterly Disclosures are published in "The Times of India" (English Daily) and "Gujarat Samachar" (Gujarati Daily) newspapers.
- **News Release, Presentation etc. :** Official news releases, presentations made to media, analysts, institutional investors, etc. are displayed on the company's website www.reliancepetroleum.com.
- **Website:** The Company's website www.reliancepetroleum.com contains a separate dedicated section "investor relations" where shareholders information is available. Full Annual Reports are also available on the website in a user-friendly and downloadable form.
- **Annual Report :** Annual Report containing, inter alia, Directors' Report, Auditors' Report, Audited Annual Accounts and other important information is circulated to Members and others entitled thereto. The Management's Discussion and Analysis Report forms part of the Annual Report.
- **Chairman's Communique:** Printed copy of the

Chairman's Speech was distributed to all the shareholders at the Annual General Meeting. The same is also placed on the web-site of the Company.

- **SEBI EDIFAR :** The required disclosures to the extent applicable were also posted on the SEBI EDIFAR website www.sebiedifar.nic.in till the quarter ended September 2007.
- **Corporate Filing And Dissemination System (CFDS):** The CFDS portal jointly owned, managed and maintained by BSE and NSE is a single source to view information filed by listed companies. From the quarter beginning October 2007, all disclosures and correspondence filed with BSE & NSE were available on CFDS portal.
- **Designated Exclusive E-mail ID :** The Company has designated the following E-mail ID exclusively for investor servicing
investor_relations@reliancepetroleum.com

13. General Shareholder Information

13.1. Annual General Meeting

Day, Date, Time	Saturday, June 7, 2008, 9.30 a.m.
Venue	Motikhavdi, P.O. Digvijaygram, District Jamnagar-361 140 Gujarat

13.2. Financial Calendar (tentative)

Financial Year	April 1 to March 31
Quarter ending June 30, 2008	Last week of July, 2008
Quarter ending September 30, 2008	Last week of October, 2008
Quarter ending December 31, 2008	Last week of January, 2009
Year ending March 31, 2009	Last week of April, 2009
Annual General Meeting	July, 2009

13.3. Book Closure Period

June 2, 2008 to June 7, 2008 (both days inclusive) for annual general meeting.

13.4. Listing of Equity Shares on Stock Exchanges and Payment of Listing Fee

Bombay Stock Exchange Limited, (BSE)

P. J. Towers,

Dalal Street, Mumbai 400 001

National Stock Exchange of India Limited (NSE),

"Exchange Plaza", Bandra-Kurla Complex,

Bandra (E), Mumbai 400 051

Annual listing fee for the year 2007-08, has been paid by the Company to BSE and NSE.

13.5. Stock Code

Scrip Code - Bombay Stock Exchange - '532743'

Trading Symbol - National Stock Exchange-'RPL'

ISIN for Equity Shares

INE475H01011

13.6. Stock Market Data & Share price performance in comparison to broad based indices

a) RPL vs SENSEX

	RPL		SENSEX	
	High	Low	High	Low
April 2007	82.70	68.50	14383.72	12425.52
May 2007	102.90	78.55	14576.37	13554.34
June 2007	112.70	94.05	14683.36	13946.99
July 2007	130.10	108.25	15868.85	14638.88
August 2007	116.80	105.55	15542.40	13779.88
September 2007	172.00	116.10	17361.47	15323.05
October 2007	248.00	145.00	20238.16	17144.58
November 2007	295.00	188.15	20204.21	18182.83
December 2007	237.00	203.15	20498.11	18886.40
January 2008	259.80	108.50	21206.77	15332.42
February 2008	180.70	140.40	18895.34	16457.74
March 2008	176.50	143.00	17227.56	14677.24

b) RPL vs NIFTY

	RPL		NIFTY	
	High	Low	High	Low
April 2007	82.70	67.85	4217.90	3617.00
May 2007	102.90	78.70	4306.75	3981.15
June 2007	112.65	94.00	4362.95	4100.80
July 2007	119.70	108.35	4647.95	4304.00
August 2007	120.00	105.10	4532.90	4002.20
September 2007	171.70	116.00	5055.80	4445.55
October 2007	247.90	145.10	5976.00	5000.95
November 2007	294.95	188.50	6011.95	5394.35
December 2007	236.70	203.55	6185.40	5676.70
January 2008	259.80	107.25	6357.10	4448.50
February 2008	180.70	140.00	5545.20	4803.60
March 2008	176.65	143.00	5222.80	4468.55

(Source : BSE & NSE websites)

13.7. Registrars and Transfer Agents

Karvy Computershare Private Limited

46, Avenue 4, Street No. 1,

Banjara Hills, Hyderabad 500 034, India

Tel +91 40 2332 0666, 2332 0711, 2332 3031, 2332 3037

Fax +91 40 2332 3058

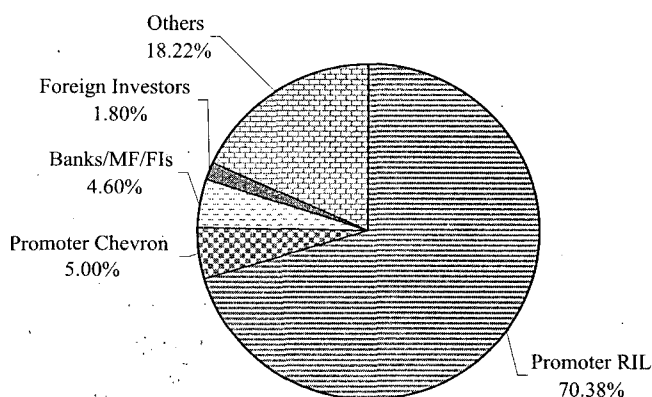
E-mail: rplinvestor@karvy.com

http://www.karvy.com

13.8. Share Transfer System

Presently, the share transfers which are received in physical form are processed and the share certificates returned within a period of 7 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to the officers of the Company. A summary of transfer / transmission of securities of the Company so approved by officers, is placed at every Board Meeting. The Company obtains from a company secretary in practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

13.9. Distribution of Shareholding as on March 31, 2008



**Share Ownership Pattern as on March 31, 2008**

Category	Number of Shares Held	% age
Promoters:		
Reliance Industries Limited	3166958030	70.38
Chevron India Holdings Pte. Ltd.	225000000	5.00
Mutual Funds & UTI	30361458	0.67
Banks, Financial Institutions and Insurance Companies	176998057	3.93
FII's	80957366	1.80
Private Corporate Bodies	224760737	4.99
Indian Public	574327135	12.76
NRI	20637217	0.46
TOTAL	4500000000	100.00

Top 10 Shareholders as on March 31, 2008

Name	Number of Shares Held	% to total Shareholding
Reliance Industries Limited	3166958030	70.38
Chevron India Holdings Pte Ltd	225000000	5.00
Life Insurance Corporation of India	76351655	1.70
Fidelity Shares and Securities Private Ltd	75000000	1.67
State Bank of India, (Equity)	39120000	0.87
Industrial Development Bank of India Limited	15201650	0.34
General Insurance Corporation of India	10313613	0.23
Bank of Baroda	9799604	0.22
Religare Securities Ltd	9614671	0.21
Oriental Bank of Commerce	6880000	0.15

Shareholding Pattern by Size

Category (No of Shares)	Holders	Shares Held	% age
1 - 500	17 86 459	250019685	5.56
501 - 1000	1 21 682	91826568	2.04
1001 - 2000	52 070	74386688	1.65
2001 - 3000	14 269	35668121	0.79
3001 - 4000	5 865	20742236	0.46
4001 - 5000	4 017	18731534	0.42
5001 - 10000	5 899	41880152	0.93
10001 - 20000	2 313	31945343	0.71
Above 20000	1 854	3934799673	87.44
TOTAL	19 94 428	4500000000	100

Citywise Distribution of Shareholders as on March 31, 2008

City	Holders	% age	Shares	% age
Mumbai	3 44 772	17.29	3740673340	83.13
Delhi	1 50 351	7.54	87709912	1.95
Ahmedabad	1 39 118	6.98	46434854	1.03
Kolkata	70 666	3.54	28479191	0.63
Bengaluru	69 627	3.49	19690636	0.44
Chennai	54 291	2.72	21401452	0.48
Pune	59 584	2.99	15742377	0.35
Hyderabad	44 859	2.25	19680024	0.44
Vadodara	46 978	2.36	15645806	0.35
Jamnagar	17 683	0.89	6662991	0.15
Others	9 96 499	49.96	497879417	11.06
TOTAL	19 94 428	100.00	4500000000	100.00

13.10. Dematerialisation of Shares

99.99% of the Company's Paid up Equity Share Capital is in dematerialised form as on March 31, 2008. Trading in Equity Shares of the Company is permitted only in dematerialised form.

Liquidity

The Company's Equity Shares are among the most liquid and actively traded shares on the Indian Stock Exchanges. Relevant data of turnover for the financial year 2007-2008 is given below:

	BSE	NSE	BSE + NSE
No. of shares	2409841772	5439008790	7848850562
Value (Rs. Lacs)	4351311	9696846	14048157

(Source : This information is compiled from the data available from the websites of BSE and NSE)

13.11. Outstanding GDRs/Warrants and Convertible Instruments

The Company has not issued any GDRs / Warrants or any other instrument, which is convertible into Equity Shares of the Company.

13.12. Locations of Manufacturing Facilities

The Company is setting up a Petroleum Refinery and Polypropylene Plant at:

Special Economic Zone, Taluka Lalpur,
Dist. Jamnagar - 361 140 Gujarat, India.

13.13. Address for Correspondence:

- (a) **Investor Correspondence** - For any query relating to the shares of the Company.

For Shares held in Physical form

Karvy Computershare Private Limited
46, Avenue 4, Street, No. 1 Banjara Hills
Hyderabad - 500 034.
E-mail: rplinvestor@karvy.com

For Shares held in Demat form

To the investors' Depository Participant(s) and/or Karvy Computershare Private Limited at the above address.

- (b) **For grievance redressal and any query on Annual Report**

Secretarial Department,
Reliance Petroleum Limited
3rd Floor, Maker Chambers IV
222, Nariman Point, Mumbai 400 021.
E-mail: investor_relations@reliancepetroleum.com

14. Compliance Certificate of the Auditors

Certificate from the Auditors of the Company, M/s. Chaturvedi & Shah, Chartered Accountants and M/s. Deloitte Haskins & Sells, Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49, is forming part of the Annual Report.

15. Adoption of Non-Mandatory Requirements of Clause 49

The Company has complied with all the mandatory requirements of Clause 49.

The Company is a start - up Company in the project implementation stage.

Status of compliance with non-mandatory requirements stipulated under Clause 49:

Remuneration Committee

The Company does not have any executive director and hence constitution of Remuneration Committee is not required.

Training of Board Members

New Directors appointed by the Board are given formal induction and orientation with respect to the Company's vision, strategic direction, core values including ethics, corporate governance practices, financial matters and business operations. The new appointee is also facilitated with a tour to get familiar with the Company's operations.

The Board members are also provided with the necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are circulated to the Directors.

Whistle Blower policy

The Company promotes ethical behaviour in all its business activities and has put in place mechanism of reporting illegal or unethical behaviour. Employees are free to report existing / probable violations of laws, rules, regulations or unethical conduct to their immediate supervisor / notified person. The Directors and Senior Management are obligated to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

16. CEO and CFO Certification

The CEO and the CFO of the Company give certification on financial reporting and internal controls to the Board in terms of Clause 49.

17. Secretarial Audit Report

The Company has appointed Dr. K.R. Chandratre, Practicing Company Secretary, to conduct Secretarial Audit of the Company for the financial year ended March 31, 2008, who has submitted his report confirming the compliance with all the applicable provisions of various corporate laws. The Secretarial Audit Report forms part of the Annual Report.

18. Capital Integrity Audit

The Audit Report, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis. A copy of the Audit Report is submitted to the Stock Exchanges in India where the securities of the Company are listed.



Secretarial Audit Report

The Board of Directors of,
RELIANCE PETROLEUM LIMITED

I have examined the registers, records and documents of Reliance Petroleum Limited ("the Company") for the financial year ended on March 31, 2008 maintained under the provisions of -

- The Companies Act, 1956 and the Rules made under that Act;
- The Depositories Act, 1996 and the Regulations and the Byelaws framed under that Act;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')-
 - ♦ The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997
 - ♦ The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and
 - ♦ The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made under that Act;
- The Equity Listing Agreement with Bombay Stock Exchange Limited and National Stock Exchange of India Limited

1) I report that, based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company, the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 ("the Act") and the Rules made under the Act, and the Memorandum and Articles of Association of the Company, with regard to:

- a) maintenance of statutory registers and documents and making in them necessary entries;
- b) closure of Register of Members;
- c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies;
- d) service of documents by the Company on its Members and Registrar of Companies.
- e) notice of Board meetings and Committee of Directors;
- f) the meetings of Directors and Committees of Directors ;
- g) the Second annual general meeting held on July 16, 2007;
- h) minutes of proceedings of general meeting and of Board and other meetings;
- i) approvals of shareholders, the Board of Directors, the Committee of Directors wherever required;
- j) form of balance sheet as prescribed under Part I of Schedule VI to the Act;
- k) borrowings and registration of charges;
- l) investment of the Company's funds;
- m) contracts, common seal, registered office and publication of name of the Company; and

n) generally, all other applicable provisions of the Act and the Rules made under that Act;

2) I further report that:

- a) the Directors of the Company have obtained Directors Identification Number as per Section 266A of the Act.
- b) the Directors of the Company have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities.
- c) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their independence and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.
- d) there was no prosecution initiated against, or show cause notice received by, the Company and no fines or penalties were imposed on the Company under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against the Company, its Directors and Officers.

3) I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Regulations and the Bye-laws framed there under with regard to dematerialisation / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

4) I further report that the Company has complied with :

- a) the requirements under the Equity Listing Agreements entered into with Bombay Stock Exchange Limited and National Stock Exchange of India Limited
- b) the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 with regard to the disclosures and maintenance of records required under the Regulations.

Dr K R Chandratre
Practising Company Secretary
Certificate of Practice No. 5144

Place : Mumbai
Dated: April 14, 2008.

Auditors' Report

To the Members of,

RELIANCE PETROLEUM LIMITED

1. We have audited the attached Balance Sheet of RELIANCE PETROLEUM LIMITED as at March 31, 2008 and also the Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. No Profit and Loss Account has been prepared since the Company is yet to commence its revenue operations and the necessary details as per part II of Schedule VI to the Companies Act, 1956 have been disclosed in Note no. 1 of Schedule J as "Project Development Expenditure".
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The Balance Sheet and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the Balance Sheet and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - v. On the basis of the written representations received from the Directors as on March 31, 2008 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereto, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2008; and
 - b) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Chaturvedi & Shah
Chartered Accountants

For Deloitte Haskins & Sells
Chartered Accountants

Rajesh Chaturvedi
Partner
Membership No.: 45882

P. R. Barpande
Partner
Membership No.: 15291

Mumbai
April 16, 2008



Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date)

- (i) In respect of its fixed assets:
- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
- (ii) In respect of its inventories :
- The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) The Company has not granted or taken any loan secured/ unsecured to / from Companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4(iii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. During the financial year, the Company did not undertake any activity of sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) According to the information and explanations given to us, there are no contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered in the register required to be maintained under that section.
- (vi) The Company has not accepted any deposits from the public during the year. Therefore, the provisions of clause (vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (vii) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, the Company's project for setting up refinery and polypropylene plant is at advance stage of construction and the Company has not commenced the commercial production and hence maintenance of cost records is not applicable during the year under audit.
- (ix) In respect of statutory dues :
- According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues, to the extent applicable, have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2008 for a period of more than six months from the date they became payable;
 - The disputed statutory dues aggregating to Rs. 37 04 397, that has not been deposited on account of disputed matters pending before appropriate authority is as under :
- | Name of the Statute | Nature of Dues | Amount (in Rupees) | Period to which the amount relates | Forum where dispute is pending |
|---------------------|----------------|--------------------|------------------------------------|-----------------------------------|
| Customs Act, 1962 | Custom Duty | 37 04 397 | 2006-07 | Commissioner of Customs (Appeals) |
- (x) The Company has been registered for a period less than five years and hence the provisions of clause 4 (x) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institutions and banks. The Company has not issued any debentures.
- (xii) In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefits fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of investments in mutual funds and timely entries have been made therein. All the investments have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institution.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the term loans raised were prima facie been either used for the purposes for which they were raised or pending utilisation been temporarily invested in mutual funds.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, there are no funds raised on short term basis during the year under audit and hence the question of using the same for long term investment does not arise.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the Company has not issued any debentures during the year under audit.
- (xx) The Company has not raised any monies by way of public issue during the year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For **Chaturvedi & Shah**
Chartered Accountants

Rajesh Chaturvedi
Partner
Membership No.: 45882

Mumbai
April 16, 2008

For **Deloitte Haskins & Sells**
Chartered Accountants

P. R. Barpande
Partner
Membership No.: 15291

Auditors' Certificate on Corporate Governance

To the Members of,
RELIANCE PETROLEUM LIMITED

We have examined the compliance of conditions of Corporate Governance by Reliance Petroleum Limited, for the year ended on 31st March 2008, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

For **Chaturvedi & Shah**
Chartered Accountants

Rajesh Chaturvedi
Partner
Membership No.: 45882

Mumbai
April 16, 2008

For **Deloitte Haskins & Sells**
Chartered Accountants

P. R. Barpande
Partner
Membership No.: 15291

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.



Balance Sheet as at 31st March, 2008

	Schedule	As at 31st March, 2008	In Rupees As at 31st March, 2007
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	4499 98 68 750	4499 95 12 500
Reserves and Surplus	B	8948 96 00 360	8948 86 99 851
		13448 94 69 110	13448 82 12 351
Loan Funds			
Secured Loans	C	12827 52 92 858	5467 00 00 000
TOTAL		26276 47 61 968	18915 82 12 351
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	D	223 70 72 761	175 47 39 592
Less: Depreciation		39 74 17 578	13 82 61 346
Net Block		183 96 55 183	161 64 78 246
Capital Work-in-Progress		23090 31 88 768	18590 09 09 662
		23274 28 43 951	18751 73 87 908
Investments	E	2438 32 00 000	228 03 38 881
Current Assets, Loans and Advances			
Current Assets			
Inventories	F	748 17 70 430	-
Cash and Bank Balances		2 24 16 348	9 55 31 428
		750 41 86 778	9 55 31 428
Loans and Advances	G	918 06 71 161	578 58 00 888
		1668 48 57 939	588 13 32 316
Less :			
Current Liabilities and Provisions			
Current Liabilities	H	1099 87 79 330	651 51 98 871
Provisions		4 73 60 592	56 47 883
		1104 61 39 922	652 08 46 754
Net Current Assets		563 87 18 017	(63 95 14 438)
TOTAL		26276 47 61 968	18915 82 12 351

Significant Accounting Policies

Notes on Accounts

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Rajesh Chaturvedi
Partner

Mumbai
April 16, 2008

For **Deloitte Haskins & Sells**
Chartered Accountants

P. R. Barpande
Partner

For and on behalf of the Board

Mukesh D. Ambani
Hital R. Meswani
Yogendra P. Trivedi
Maresh P. Modi
Atul S. Dayal
Bobby Parikh
Michael Warwick
Joffrey R. Pryor
Ramesh Kumar Damani

Chairman

Directors

Company Secretary

Cash Flow Statement for the year 2007-08

	For the year 2007-08	In Rupees For the year 2006-07
A CASH FLOW FROM OPERATING ACTIVITIES:	-	-
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(49 05 03 348)	(175 47 39 592)
Sale of Fixed Assets	81 70 179	-
Additions to Capital Work-in-Progress, Stores, Chemicals and Catalysts	(4809 62 49 949)	(16297 96 78 809)
Advance Recoverable in Cash or in Kind	(251 00 69 478)	(20 76 71 768)
Deposits placed	(115 11 79 845)	(531 17 10 200)
Purchase of Current Investments	(28102 05 41 818)	(21892 96 43 226)
Sale of Current Investments	26042 68 87 585	22547 64 49 746
Dividend on Current Investments	1 84 24 650	-
Interest on Current Investments	-	1 64 96 130
Other interest	1 52 149	76 50 49 461
Taxes paid	(2 84 20 541)	(14 77 21 453)
Net Cash used in Investing Activities	(7284 33 30 416)	(16307 31 69 711)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Net proceeds from issue of Equity Shares	12 56 759	10349 82 99 041
Secured Term Loans	7829 75 89 749	5578 26 56 000
Miscellaneous Expenditure	-	(48 45 57 590)
Interest paid	(552 86 31 172)	(13 31 30 137)
Net Cash generated from Financing Activities	7277 02 15 336	15866 32 67 314
Net Increase/ (Decrease) in Cash and Cash Equivalents	(7 31 15 080)	(440 99 02 397)
Opening Balance of Cash and Cash Equivalents	9 55 31 428	450 54 33 825
Closing Balance of Cash and Cash Equivalents	2 24 16 348	9 55 31 428

Notes:

- Cash and Cash Equivalents include:
Cash and Bank Balances 2 24 16 348 9 55 31 428
- The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3 'Cash Flow Statement' notified in the Companies (Accounting Standards) Rules 2006.

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

For **Deloitte Haskins & Sells**
Chartered Accountants

Rajesh Chaturvedi
Partner

P. R. Barpande
Partner

Mumbai
April 16, 2008

For and on behalf of the Board

Mukesh D. Ambani - Chairman

Hital R. Meswani

Yogendra P. Trivedi

Mahesh P. Modi

Atul S. Dayal

Bobby Parikh

Michael Warwick

Joffrey R. Pryor

Ramesh Kumar Damani

} Directors

- Company Secretary



Schedules forming part of the Balance Sheet

SCHEDULE A

SHARE CAPITAL

In Rupees

As at
31st March, 2008

As at
31st March, 2007

Authorised:

1000 00 00 000 Equity Shares of Rs. 10 each (1000 00 00 000)	10000 00 00 000	10000 00 00 000
500 00 00 000 Preference Shares of Rs. 10 each (500 00 00 000)	5000 00 00 000	5000 00 00 000
TOTAL	15000 00 00 000	15000 00 00 000

Issued, Subscribed, Called-up and Paid-up:

Fully Paid-up

450 00 00 000 Equity Shares of Rs. 10 each fully paid-up (450 00 00 000)	4500 00 00 000	4500 00 00 000
Less: Calls in Arrears - by others	1 31 250	4 87 500
TOTAL	4499 98 68 750	4499 95 12 500

Note:

Out of the above, 316 69 58 030 (Previous year 337 50 00 000) Equity Shares are held by Reliance Industries Limited, the holding company.

SCHEDULE B

RESERVES AND SURPLUS

In Rupees

As at
31st March, 2008

As at
31st March, 2007

Securities Premium Account

As per last Balance Sheet	8948 99 13 310	-
Add: Received on issue of Equity Shares	-	9000 00 00 000
Less: Miscellaneous Expenditure adjusted (Refer Note 3 in Schedule "J")	-	51 00 86 690
	8948 99 13 310	8948 99 13 310
Less: Calls in Arrears - by others	3 12 950	12 13 459
TOTAL	8948 96 00 360	8948 86 99 851

SCHEDULE C

SECURED LOAN

In Rupees

As at
31st March, 2008

As at
31st March, 2007

Term Loans from Banks:

In Foreign Currency	10807 52 92 858	4347 00 00 000
In Indian Currency	2020 00 00 000	1120 00 00 000
TOTAL	12827 52 92 858	5467 00 00 000

Note:

The above term loans from banks are secured by a first ranking pari passu mortgage over leasehold interests under the Land Lease Agreement and the fixed assets (including plant and machinery) of the Project (as stated in note 1 of Schedule J) affixed thereon; a first ranking pari passu charge over movable assets (other than current assets and investments) of the Project; a floating second ranking charge over such of the company's current assets relating to the Project that are charged on a first ranking basis to the working capital lenders and an assignment of Company's right, title and interest under the key Project Agreements including agreements in respect of utilities.

Schedules forming part of the Balance Sheet

SCHEDULE D

FIXED ASSETS

In Rupees

Description	Gross Block				Depreciation			Net Block	
	As at 1st April, 2007	Additions	Deductions/ Adjustments	As at 31st March, 2008	For the year	Deductions/ Adjustments	Upto 31st March, 2008	As at 31st March, 2008	As at 31st March, 2007
Own Assets:									
Building @	2 02 86 727	7 39 21 756	-	9 42 08 483	7 39 21 756	-	9 42 08 483	-	-
Plant and Machinery	114 67 85 862	38 29 27 838	73 26 153	152 23 87 547	10 71 19 413	2 86 192	16 29 27 373	135 94 60 174	109 06 91 710
Furniture and Fixtures	4 94 33 707	2 04 29 719	-	6 98 63 426	1 42 65 042	-	4 61 56 529	2 37 06 897	1 75 42 220
Vehicles	49 01 52 255	1 13 65 942	7 31 622	50 07 86 575	5 49 61 113	50 748	8 32 93 426	41 74 93 149	46 17 69 194
Intangible Assets #	4 80 81 041	17 45 689	-	4 98 26 730	92 25 848	-	1 08 31 767	3 89 94 963	4 64 75 122
Total	175 47 39 592	49 03 90 944	80 57 775	223 70 72 761	25 94 93 172	3 36 940	39 74 17 578	183 96 55 183	161 64 78 246
Previous year	-	175 47 39 592	-	175 47 39 592	13 82 61 346	-	13 82 61 346	161 64 78 246	
Capital Work-in-Progress								23090 31 88 768	18590 09 09 662

Notes:

Capital Work-in-Progress includes:

- Rs. 10269405673 (Previous year Rs.12909 58 97 925) on account of Advance against Project Contracts.
- Rs. 11414064775 (Previous year Rs.226 64 85 146) on account of Project Development Expenditure Account (Refer Note 1 in Schedule 'J').
- Rs. 94864140629 (Previous year Rs.2882 84 23 197) on account of construction materials at site.
- Rs. 11058861711 (Previous year Rs. 165 23 70 874) on account of net foreign exchange gain.

@ Temporary erections

Software, other than internally generated



Schedules forming part of the Balance Sheet

SCHEDULEE

In Rupees

INVESTMENTS

As at
31st March, 2008As at
31st March, 2007

Current Investments - Others

Unquoted

In Units of Mutual Fund:

Units	Name of the Mutual Fund		
30,000,000	ABN AMRO FTP S8 Yearly Plan E - Institutional Growth	30 00 00 000	-
(-)	of Rs. 10 per unit.		
25,457,322	ABN AMRO Flexible Short Term Plan Series B Quarterly	25 45 73 218	-
(-)	Dividend - Reinvestment of Rs. 10 per unit		
51,241,031	ABN AMRO Money Plus Institutional Plan Daily	51 24 10 329	-
(-)	Dividend of Rs. 10 per unit		
30,465,268	Birla Cash Plus - Institutional Premium - Daily Dividend -	30 52 46 755	14 02 68 656
(13,999,566)	Reinvestment of Rs. 10 per unit.		
50,000,000	Birla Fixed Term Plan Series-AB of Rs. 10 per unit	50 00 00 000	-
(-)			
25,144,451	BSL Interval Fund - Institutional -	25 14 45 000	-
(-)	Quarterly Series 1 - Dividend of Rs. 10 per unit		
26,074,361	BSL Interval Fund - Institutional - Quarterly - Series 3 -	26 07 44 081	-
(-)	Dividend of Rs. 10 per unit		
1,003,128	DSP Merrill Lynch Cash Plus - Institutional -	100 32 28 004	-
(-)	Daily Dividend of Rs. 1 000 per unit		
1,001,262	DSP Merrill Lynch Liquid Plus Institutional plan -	100 18 12 854	-
(-)	Daily Dividend of Rs. 1 000 per unit		
150,000	DSP Merrill Lynch Fixed Term Plan Series -	15 00 00 000	-
(-)	3F - Institutional Growth of Rs. 1 000 per unit		
35,000,000	DWS Fixed Term Fund - Series 35 -	35 00 00 000	-
(-)	Growth Plan of Rs. 10 per unit		
5,000,000	DWS Fixed Term Fund Series 39 -	5 00 00 000	-
(-)	Institutional Growth of Rs. 10 per unit		
25,000,000	HDFC FMP 90D February 2008 (VII) -	25 00 00 000	-
(-)	Wholesale Plan Dividend of Rs. 10 per unit		
218,514,981	HDFC Cash Management Saving Plan Daily	232 42 12 746	-
(-)	Dividend of Rs. 10 per unit		
60,000,000	HSBC Fixed Term Series - 33 Institutional	60 00 00 000	-
(-)	Growth of Rs. 10 per unit		
40,000,000	HSBC Fixed Term Series - 36 Institutional	40 00 00 000	-
(-)	Growth of Rs. 10 per unit		
25,630,375	HSBC Interval Fund - Plan -1 - Institutional	25 63 04 841	-
(-)	Dividend of Rs. 10 per unit		
-	ICICI Prudential Liquid Plan Daily	-	23 55 58 240
(23,555,824)	Dividend of Rs.10 per unit		

Schedules forming part of the Balance Sheet**SCHEDULE E (contd.)**

		In Rupees	
		As at 31st March, 2008	As at 31st March, 2007
Units	Name of the Mutual Fund		
192,481,432	ICICI Prudential - Flexible Income Plan Dividend -	203 52 02 423	-
(-)	Daily - Reinvestment Dividend of Rs. 10 per unit		
60,000,000	ICICI Prudential Interval Fund Annual Interval I	60 00 00 000	-
(-)	Plan-II Institutional Cumulative of Rs. 10 per unit		
14,000,000	ICICI Prudential FMP Series 38-One Year Plan D -	14 00 00 000	-
(-)	Institutional Cumulative of Rs. 10 per unit		
50,000,000	ICICI Prudential FMP Series 42-Three Months	50 00 00 000	-
(-)	Plan A Retail Dividend - Pay Dividend of Rs. 10 per unit		
50,000,000	ICICI Prudential FMP Series 39 - Sixteen Weeks	50 00 00 000	-
(-)	Plan A Retail Dividend - Pay Dividend of Rs. 10 per unit		
27,072,569	ICICI Prudential Fixed Maturity Plan Interval Plan II	27 07 25 662	-
(-)	Quarterly C Retail Dividend Rs. 10 per unit		
60,000,000	ING Fixed maturity Fund - XXXI Institutional	60 00 00 000	-
(-)	Growth of Rs. 10 per unit.		
75,000,000	ING Fixed Maturity Fund - XXXII Institutional	75 00 00 000	-
(-)	Growth of Rs. 10 per unit Institutional Growth		
25,000,000	ING Fixed Maturity Fund - 36 Institutional	25 00 00 000	-
(-)	Dividend of Rs. 10 per unit		
25,000,000	Kotak FMP 12M Series 2 Institutional -	25 00 00 000	-
(-)	Growth of Rs. 10 per unit		
44,027,946	Lotus India Liquid Plus Fund - Institutional	44 09 70 701	-
(-)	Daily Dividend of Rs. 10 per unit		
40,000,000	Lotus India FMP 375 Days Series IV Institutional	40 00 00 000	-
(-)	Growth of Rs. 10 per unit		
23,000,000	Lotus India FMP 375 Days Series V Institutional	23 00 00 000	-
(-)	Growth of Rs. 10 per unit.		
25,000,000	Lotus India FMP - 3 Months - Series XXV	25 00 00 000	-
(-)	Dividend of Rs. 10 per unit.		
4,999,000	Lotus India Quarterly Interval Fund Plan F	5 00 00 000	-
(-)	Dividend of Rs. 10 per unit.		
1,004,092	Mirae Asset liquid Plus Fund - Super Institutional	100 40 97 784	-
(-)	Dividend Plan (Daily) of Rs. 1 000 Per unit		
57,375,627	Principal Income Fund Growth Plan of Rs. 10 per unit	59 75 15 411	80 88 76 525
(77,671,298)			
25,000,000	Principal PNB Fixed Maturity Plan (FMP-41) 91 Days-	25 00 00 000	-
(-)	Series-XII - Nov 07 Dividend payout of Rs. 10 per unit		
25,000,000	Principal PNB Fixed Maturity Plan (FMP-40)	25 00 00 000	-
(-)	385 Days - Series VI of Rs. 10 per unit		



Schedules forming part of the Balance Sheet

SCHEDULE E (contd.)

In Rupees

		As at 31st March, 2008	As at 31st March, 2007
Units	Name of the Mutual Fund		
25,000,000	SBI Debt Fund Series- 90 Days-20-(26-Feb-08) -	25 00 00 000	-
(-)	Dividend of Rs. 10 per unit		
56,659,324	SBI Premier Liquid Fund Daily Dividend of	56 84 34 671	-
(-)	Rs. 10 per unit		
60,000,000	Standard Chartered Fixed Maturity Plan -	60 00 00 000	-
(-)	Yearly Series 10 - Growth of Rs. 10 per unit		
25,000,000	Standard Chartered Fixed Maturity Plan -	25 00 00 000	-
(-)	Quarterly Series 25 - Dividend of Rs. 10 per unit		
77,220,635	Standard Chartered Grindlays Floating Rate Fund -	77 26 31 068	-
(-)	Long Term - Institutional Plan B - Daily		
	Dividend of Rs. 10 per unit		
-	Standard Chartered Liquidity Manager Plus Daily	-	66 01 15 251
(660,049)	Dividend of Rs. 1 000 per unit		
25,000,000	Sundaram BNP Paribas Fixed Term Plan Series-XXXII -	25 00 00 000	-
(-)	Growth of Rs. 10 per unit		
25,000,000	Sundaram BNP Paribas Fixed Term 367 Days	25 00 00 000	-
(-)	Plan I Institutional - Growth of Rs. 10 per unit		
25,000,000	Sundaram BNP Paribas FTP 90 days Series 3	25 00 00 000	-
(-)	Institutional - Dividend of Rs. 10 per unit		
60,000,000	Tata Fixed Horizon Fund Series 14 of Rs. 10 per unit	60 00 00 000	-
(-)			
24,974,276	Tata Fixed Income Portfolio Fund Scheme A2	25 00 00 000	-
(-)	Institutional Monthly Dividend Rs. 10 per unit		
47,754,926	Tata Dynamic Bond Fund Option A - Dividend of	50 15 75 725	-
(-)	Rs. 10 per unit		
70,000,000	UTI Fixed Income Interval Fund Annual Interval Plan III -	70 00 00 000	-
(-)	Institutional Growth Plan of Rs. 10 per unit		
25,206,873	UTI Fixed Maturity Plan - QFMP (02/08/I)- Institutional	25 20 68 727	-
(-)	Dividend Plan - Reinvestment of Rs. 10 per unit		
50,000,000	UTI Fixed Maturity Plan Yearly Series YFMP/0807 -	50 00 00 000	-
(-)	Institutional Growth of Rs. 10 per unit		
25,000,000	UTI Fixed Maturity Plan - QFMP (0208/II)- Institutional	25 00 00 000	-
(-)	Dividend Payout of Rs. 10 per unit		
-	UTI Liquid Cash Plan Institutional Daily Income of	-	43 55 20 209
(427,213)	Rs. 1 000 per unit		
TOTAL		2438 32 00 000	228 03 38 881

Schedules forming part of the Balance Sheet**SCHEDULE E (contd.)**

In Rupees

	As at 31st March, 2008 Book value	As at 31st March, 2007 Book value
Aggregate Value of		
Quoted Investments	-	-
Unquoted Investments	2438 32 00 000	228 03 38 881

Movement during the year
Investments purchased and sold/ redeemed

Units of Mutual Fund

Sr. No.	Name of the Mutual Fund	Face Value (in Rupees)	Units	Cost in Rupees
1	ABN AMRO Money Plus Institutional Plan Daily Dividend	10	75,029,755	75 02 97 553
2	ABN AMRO Money Plus Liquid Plus Fund Daily Dividend	10	180,278,500	180 28 02 983
3	ABN Amro Flexible Short Term Plan Series E Quarterly Dividend Reinvested	10	100,000,000	100 00 00 000
4	ABN Amro Flexible Short Term Plan A Quarterly Dividend	10	50,000,000	50 00 00 000
5	ABN Amro Flexible Short Term Plan Series B Quarterly Dividend Reinvested	10	25,000,000	25 00 00 000
6	AIG India Liquid Fund Super Institutional Daily Dividend	1000	1,819,296	181 99 63 037
7	AIG India Treasury Plus Fund Super Institutional Daily Dividend	10	151,175,224	151 28 65 189
8	Birla Cash Plus Institutional Premium Daily Dividend	10	3,727,023,146	3734 29 08 407
9	Birla Cash Plus Institutional Premium Daily Dividend	10	283,218,378	283 38 98 431
10	Birla Sunlife Liquid Plus - Retail - Fortnightly Dividend - Reinvestment	10	100,922,673	101 31 25 382
11	BSL Interval Income Fund - Institutional- Quarterly Series 1 Dividend	10	100,000,000	100 00 00 000
12	BSL Interval Income Fund - Institutional- Quarterly Series 2 Dividend	10	100,000,000	100 00 00 000
13	BSL Interval Income Fund - Institutional- Quarterly Series 3 Dividend	10	50,000,000	50 00 00 000
14	BSL Quarterly Interval- Series 2 Dividend Payout	10	50,000,000	50 00 00 000
15	CANFMP 01 M SRI (Close Ended)	10	25,000,000	25 00 00 000
16	DBS Chola Short Term Floating Rate Fund Daily Dividend Reinvestment Plan	10	354,846,340	355 42 82 877
17	DBS Chola FMP - Series 8 (Quarterly Plan-2) - Dividend	10	50,000,000	50 00 00 000
18	DSP Merrill Lynch Liquid Plus Institutional Plan - Daily Dividend	1000	599,973	60 00 92 705
19	DSP Merrill Lynch Strategic Bond Fund Institutional Weekly Dividend	1000	505,111	50 63 67 022
20	DSP Merrill Lynch Cash Plus - Institutional - Daily Dividend	1000	4,535,362	453 58 05 412
21	DSP Merrill Lynch Liquid Plus - Institutional Plan Daily Dividend	1000	1,166,138	116 65 81 466
22	DSP Merrill Lynch Fixed Term Plan series 1 O Institutional Dividend	10	50,000,000	50 00 00 000
23	DSP Merrill Lynch Fixed Maturity Plan Series 3M Series 1 Institutional Dividend	10	50,845,942	50 84 59 423
24	DWS Insta Cash Plus Fund - Institutional Plan - Daily Dividend Option	10	150,858,284	151 15 24 573



Schedules forming part of the Balance Sheet

SCHEDULE E (contd.)

Sr. No.	Name of the Mutual Fund	Face Value (in Rupees)	Units	Cost in Rupees
25	Franklin Templeton Quarterly Interval Plan - Plan B-Institutional Dividend	10	50,000,000	50 00 00 000
26	Franklin Templeton Floating rate Income Fund Short Term plan Institutional Option Daily Dividend	10	150,594,297	151 17 02 035
27	Franklin Templeton Treasury Management Account Super Institutional Plan Daily Dividend	1 000	15,757,711	1576 16 50 343
28	Franklin Templeton Treasury Management Account Super Institutional Plan Weekly Dividend	1 000	994,088	101 11 28 470
29	Franklin Templeton Quarterly Interval Plan - Plan B-Institutional Dividend	10	50,000,000	50 00 00 000
30	Fidelity Cash Fund - Super Institutional - D Dividend	10	82,073,790	82 07 46 109
31	Fidelity Liquid Plus - Super Institutional - D Dividend	10	25,033,664	25 03 36 644
32	Grindlays Floating Rate Fund -Long Term Institutional Plan B Daily Dividend	10	432,335,095	432 44 48 432
33	HDFC Cash Management Fund Saving Plan Daily Dividend	10	1,049,801,203	1116 61 05 520
34	HDFC Cash Management Fund Saving Plus Plan - Wholesale Daily dividend	10	90,773,261	91 05 91 970
35	HDFC Short Term Plan Fortnightly Dividend	10	24,491,315	25 34 49 985
36	HDFC FMP 90D Aug 2007 (6) Wholesale Plan Dividend Option Payout	10	25,000,000	25 00 00 000
37	HDFC FMP 90D November 2007 (VI) -2- Wholesale Plan Dividend Option Payout	10	25,000,000	25 00 00 000
38	HSBC Cash Fund Institutional Plus Daily Dividend	10	721,654,896	722 05 90 228
39	HSBC Liquid Plus Institutional Plus Daily Dividend	10	391,252,753	391 74 57 318
40	HSBC Fixed Term Series - 31 Institutional Dividend	10	60,000,000	60 00 00 000
41	HSBC Flexi Bond Fund Institutional Fortnightly Dividend	10	25,462,507	25 56 86 400
42	HSBC Interval Fund Plan 1 Institutional Dividend	10	25,000,000	25 00 00 000
43	ICICI Prudential Institutional Liquid Plan Super Institutional Daily Dividend Reinvest Dividend	10	5,526,419,162	5526 61 20 854
44	ICICI Prudential Institutional Liquid Plan Institutional Plan Weekly Dividend	10	367,237,366	367 57 50 089
45	ICICI Prudential FMP- Series 38- Three Months Plan D-Retail Dividend - Pay Dividend	10	20,000,000	20 00 00 000
46	ICICI Prudential Institutional Short term Plan -DR- Fortnightly Reinvest Dividend	10	91,505,816	101 80 82 107
47	ICICI Prudential Interval Fund Quarterly Interval Plan -1-Retail Dividend - Reinvest Dividend	10	125,000,000	125 00 00 000
48	ICICI Prudential Interval Fund II Quarterly Interval Plan C - Retail Dividend - Reinvest Dividend	10	100,000,000	100 00 00 000

Schedules forming part of the Balance Sheet**SCHEDULE E (contd.)**

Sr. No.	Name of the Mutual Fund	Face Value (in Rupees)	Units	Cost in Rupees
49	ING Liquid Super Institutional Daily Dividend	10	908,145,753	908 58 16 628
50	ING Fixed Maturity Fund -XXIX Dividend	10	60,000,000	60 00 00 000
51	ING Vysya Liquid Plus Fund Institutional Daily Dividend	10	136,427,991	136 47 30 125
52	ING Fixed Maturity Fund -XXX Dividend	10	50,000,000	50 00 00 000
53	ING Fixed Maturity Fund - 34 Institutional Dividend	10	50,000,000	50 00 00 000
54	ING Fixed Maturity Fund - 36 Institutional Dividend	10	25,000,000	25 00 00 000
55	ING Fixed Fund XXX Dividend	10	50,000,000	50 00 00 000
56	JM High Liquidity Fund- Super Institutional Plan Daily Dividend	10	100,402,233	100 56 78 970
57	JM High Liquidity Fund- Super Institutional Plan Weekly Dividend	10	100,214,180	100 23 62 758
58	JM Fixed Maturity Fund- Series V - Quarterly Plan	10	50,000,000	50 00 00 000
59	JM Fixed Maturity Fund- Series V - Quarterly Plan 5 Institutional Dividend Plan (235)	10	25,000,000	25 00 00 000
60	Kotak Liquid Institutional Premium Daily Dividend	10	204,302,351	249 82 29 574
61	Kotak FMP 3M Series 22- Dividend	10	120,000,000	120 00 00 000
62	Kotak Bond (Short Term) Monthly Dividend	10	50,778,149	50 99 76 210
63	Kotak FMP 3M Series 24- Dividend	10	50,000,000	50 00 00 000
64	Kotak FMP 3M Series 26- Dividend	10	100,000,000	100 00 00 000
65	LIC MF Liquid Fund Dividend Plan	10	45,575,179	50 04 20 019
66	LIC MF FMP Series 25 - 3 Months Dividend Plan	10	60,000,000	60 00 00 000
67	LIC MF FMP Series 26 - 3 Months Dividend Plan	10	60,000,000	60 00 00 000
68	LIC MF FMP Series 27 - 3 Months Dividend Plan	10	40,000,000	40 00 00 000
69	LICMF Fixed Maturity Plan - Series 29 - 3 Months Dividend Plan	10	25,000,000	25 00 00 000
70	Lotus India FMP 3 Months Series XV - Dividend	10	50,000,000	50 00 00 000
71	Lotus India FMP 3 Months Series IX - Dividend	10	20,000,000	20 00 00 000
72	Lotus India Liquid Fund Super Institutional Daily Dividend	10	396,014,652	396 05 97 936
73	Lotus India Liquid Plus Fund Institutional Daily Dividend	10	357,976,974	358 53 89 977
74	Lotus India Liquid Fund Super Institutional Weekly Dividend	10	50,398,643	50 43 16 726
75	Lotus India FMP 1 Month Series I - Dividend	10	7,000,000	7 00 00 000
76	Lotus India FMP 3 Months Series XI - Dividend	10	30,000,000	30 00 00 000
77	Lotus India FMP 3 Months Series XVI - Dividend	10	25,000,000	25 00 00 000
78	Lotus India FMP - 3 Months - Series XIX Dividend	10	50,000,000	50 00 00 000
79	Lotus India FMP - 3 Months - Series XX Dividend	10	25,000,000	25 00 00 000
80	Lotus India FMP - 3 Months - Series XXI Dividend	10	40,000,000	40 00 00 000
81	Lotus India Quarterly Interval Fund - Plan A- Dividend	10	40,429,020	40 42 90 198
82	Principal Cash Management Fund Liquid Option Institutional Liquid Plan- Dividend Reinvested Daily	10	437,752,326	437 78 29 690



Schedules forming part of the Balance Sheet

SCHEDULE E (contd.)

Sr. No.	Name of the Mutual Fund	Face Value (in Rupees)	Units	Cost in Rupees
83	Principal Floating Rate Fund SMP Institutional Option Dividend Reinvestment Daily	10	68,741,427	68 74 62 385
84	Principal Cash Management Fund Liquid Option Institutional Liquid Plan- Growth	10	83,318,605	99 00 00 000
85	Principal Income Fund Short Term Plan Institutional Plan Dividend Reinvested Weekly	10	46,833,799	50 79 53 769
86	Principal PNB Fixed Maturity plan (FMP-41) 91 Days-Series XII - Nov 07 Dividend Payout	10	75,000,000	75 00 00 000
87	SBI Magnum Insta Cash Fund Daily Dividend	10	48,593,538	81 39 56 335
88	SBI Premier Liquid Fund Daily Dividend	10	288,065,999	289 00 22 139
89	SBI Debt Fund Series -90 Days - 14 (Sept 07) -Dividend	10	25,000,000	25 00 00 000
90	SBI Debt Fund Series 90 Days -18-(27-Nov-07)- Dividend	10	131,000,000	131 00 00 000
91	Standard Chartered Liquidity Manager Plus Daily Dividend	1 000	4,876,201	487 71 85 189
92	Standard Chartered Fixed Maturity Plan Quarterly Series 19 Dividend	10	100,000,000	100 00 00 000
93	Standard Chartered Fixed Maturity Plan Quarterly Series 14 Dividend	10	25,000,000	25 00 00 000
94	Sundaram BNP Paribas Interval Fund - Quarterly - Plan C - Institutional Dividend	10	50,000,000	50 00 00 000
95	Sundaram BNP Paribas Money Fund Super Institutional Daily Dividend Reinvestment	10	49,552,140	50 02 43 717
96	Sundaram BNP Paribas Fixed Term Institutional Plan Series XXXV Dividend	10	50,000,000	50 00 00 000
97	Tata Floater Fund Daily Dividend	10	88,410,135	88 72 48 756
98	Tata Liquid Super High Investment Fund - Daily Dividend	1 000	10,099,732	1125 63 53 601
99	Tata Liquid Super High Investment Fund - Weekly Dividend	1 000	1,876,772	215 99 07 392
100	Tata Treasury Manager SHIP Daily Dividend	1 000	50,278	5 02 78 625
101	Templeton India Short Income Plan Institutional Plan Weekly Dividend	1 000	1,284,217	129 82 44 767
102	Tata Dynamic Bond Fund Option A - Dividend	10	84,960,810	87 57 89 760
103	Tata Fixed Horizon Fund Series 11 Scheme D - ID- Periodic Dividend	10	50,000,000	50 00 00 000
104	Tata Fixed Horizon Fund Series 14 Scheme B - IG- Growth	10	50,000,000	50 00 00 000
105	UTI Liquid Cash Plan Institutional Daily Income Option - Reinvestment	1 000	5,203,733	530 49 23 729
106	UTI Money Market Fund- Daily Dividend Option - Reinvestment	10	28,469,415	50 18 40 749
107	UTI Fixed Maturity Plan Series QFMP/0607/II -Institutional Dividend Plan Reinvestment	10	100,000,000	100 00 00 000
108	UTI Fixed Maturity Plan Quarterly Series 0807/II - Institutional Dividend Plan	10	100,000,000	100 00 00 000
109	UTI Fixed Income Interval Fund - Quarterly Plan Series III Institutional Dividend	10	50,000,000	50 00 00 000

Schedules forming part of the Balance Sheet**SCHEDULE F****CURRENT ASSETS**

In Rupees

As at 31st March, 2008	As at 31st March, 2007
---------------------------	---------------------------

INVENTORIES

Stores, Chemicals and Catalysts

748 17 70 430

-

CASH AND BANK BALANCES

Cash on Hand

1 02 237

74648

Balance with Banks

In Current Accounts with Scheduled Banks

2 23 14 111

9 54 56 780

2 24 16 348

9 55 31 428

TOTAL

750 41 86 778

9 55 31 428

SCHEDULE G**LOANS AND ADVANCES**

In Rupees

As at 31st March, 2008	As at 31st March, 2007
---------------------------	---------------------------

UNSECURED - (Considered good)Advances Recoverable in Cash or in kind or for value to be received ⁽¹⁾

271 77 81 116

47 40 90 688

Deposits ⁽²⁾

646 28 90 045

531 17 10 200

TOTAL

918 06 71 161

578 58 00 888

Note:

- (1) Includes Rs. 15 73 096 (Previous year: Rs. Nil) receivable from Reliance Jamnagar Infrastructure Limited, a company under the same management. Maximum balance receivable during the year Rs. 22 68 21 324 (Previous year Rs. Nil)
- (2) Includes Rs. 299 00 00 000 (Previous year: Rs. 231 00 00 000) receivable from Reliance Jamnagar Infrastructure Limited, a company under the same management. Maximum balance receivable during the year Rs. 299 00 00 000 (Previous year Rs. 231 00 00 000)

SCHEDULE H**CURRENT LIABILITIES AND PROVISIONS**

In Rupees

As at 31st March, 2008	As at 31st March, 2007
---------------------------	---------------------------

Current Liabilities:

Outstanding dues of micro enterprises and small enterprises @

5 09 55 311

-

Outstanding dues of Creditors other than micro enterprises and small enterprises

930 97 54 421

555 32 69 817

Unpaid Share Application Money *

1 78 94 070

3 06 49 160

Interest accrued but not due on loans

162 01 75 528

93 12 79 894

1099 87 79 330

651 51 98 871

Provisions

Provision for Income Tax (Net of Advance Tax and Tax Deducted/ collected at Source)

49 229

18 36 257

Provision for Wealth Tax

3 71 839

3 22 981

Provision for Fringe Benefit Tax (Net of Advance Tax)

13 14 416

9 03 600

Provision for Employees Benefits

4 56 25 108

25 85 045

4 73 60 592

56 47 883

TOTAL

1104 61 39 922

652 08 46 754



Schedules forming part of the Balance Sheet

SCHEDULE H (contd.)

Note:

@ Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

	In Rupees	
	2007-08	2006-07
a Principal amount remaining unpaid as on 31st March	5 09 55 311	-
b Interest due thereon as on 31st March	-	-
c Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
e Interest accrued and remaining unpaid as at 31st March	-	-
f Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

* Unpaid Share application money represents refund instruments issued to the investors but yet to be encashed by the investors. This does not include any amount, due and outstanding, to be credited to the Investor Education and Protection Fund as per the provisions of the Companies Act, 1956.

SCHEDULE I

SIGNIFICANT ACCOUNTING POLICIES

1 Basis of Preparation of Financial Statements

The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

2 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

3 Fixed Assets

- Fixed Assets are stated at cost net of CENVAT/ Value Added Tax, rebates, less accumulated depreciation and impairment loss, if any.
- All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to fixed assets are capitalised.
- Expenses incurred relating to project prior to commencement of commercial production are classified as Project Development Expenditure and disclosed under Capital Work-in-Progress (net of income earned during project development stage).

4 Depreciation

Depreciation on fixed assets is provided on straight line method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

5 Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortisation. Technical know how is amortised over the useful life of the underlying plant. Computer Software is amortised over a period of five years. Amortisation is done on straight line basis.

Schedules forming part of the Balance Sheet

SCHEDULE I (contd.)

6 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

7 Foreign Currency Transactions

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- iii) Non monetary foreign currency items are carried at cost.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised as Revenue except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

8 Investments

Current Investments are carried at lower of cost or quoted/ fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

9 Inventories

Items of inventories are measured at lower of cost or net realisable value after providing for obsolescence, if any. Cost of inventories are determined on weighted average basis and comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition.

10 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

11 Employee Benefits

- i) Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to Profit and Loss Account/ Project Development Expenditure Account.

12 Derivative Transactions

In respect of Derivative Contracts, premium paid, provision for losses on restatement and gains/ losses on settlement are recognised alongwith the underlying transactions and charged to Profit and Loss Account/ Project Development Expenditure Account.

13 Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable/ virtual certainty that the asset will be realised in future.

14 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



Schedules forming part of the Balance Sheet

SCHEDULE J

NOTES ON ACCOUNTS

1. The Company is setting up a refinery and polypropylene plant ("Project") in a Special Economic Zone at Jamnagar, Gujarat, India. No Profit and Loss Account has been prepared since the Company has not commenced revenue operations. The expenditure incurred during the construction period are classified as 'Project Development Expenditure' pending capitalisation and will be apportioned to the Assets on the completion of the Project. Necessary details as per part II of Schedule VI to the Companies Act, 1956 have been disclosed below:

Project Development Expenditure Account (included under Capital Work-in-Progress):

		In Rupees
	For the year 2007-08	For the year 2006-07
Opening Balance	226 64 85 146	6 46 02 088
Add:		
(i) Payments to and Provisions for Employees (including personnel on deputation):		
- Salaries, Wages and Bonus	66 36 08 187	21 46 25 241
- Contribution to Provident Fund, Gratuity Fund, Superannuation Fund, Pension Scheme etc.	7 47 28 249	1 48 21 909
- Employee Welfare and other amenities	5 30 50 027	1 77 15 248
	<u>79 13 86 463</u>	
(ii) Insurance	20 96 50 071	18 71 57 294
(iii) Rent	40 78 649	32 85 566
(iv) Rates and Taxes	1 08 06 320	5 09 245
(v) Repairs and Maintenance :		
- Machinery	19 38 07 566	6 76 24 437
- Building	61 53 272	24 31 275
- Other	4 16 38 898	52 46 692
	<u>24 15 99 736</u>	
(vi) Travelling and Conveyance Expenses	17 81 82 870	12 44 62 562
(vii) Legal and Professional Fees	53 48 96 321	22 97 45 865
(viii) Payment to Auditors	1 34 17 095	88 70 217
(ix) Sitting Fees	7 20 000	9 80 000
(x) General and Administrative Charges	45 37 56 119	25 03 88 577
(xi) Depreciation	25 94 93 172	13 82 61 346
(xii) Letter of Credit and Bank Charges	20 86 89 467	17 33 08 012
(xiii) Interest and Finance Charges:		
- Fixed Loans	621 75 26 793	106 44 10 031
- Others	152 46 05 727	116 93 40 614
	<u>774 21 32 520</u>	
	<u>1064 88 08 803</u>	<u>367 31 84 131</u>

Schedules forming part of the Balance Sheet**SCHEDULE J (contd.)**

		For the year 2007-08	In Rupees For the year 2006-07
Less:			
(i) Dividend Income from Current Investments	149 66 41 796		25 02 90 336
(ii) Profit on Sale/ Redemption of Current Investments	3 09 89 740		59 15 91 676
(iii) Net Profit on Sale of Assets	1 55 105		-
(iv) Interest on Current Investments [Gross, Tax Deducted at Source Rs. Nil; (Previous year Rs. 13 010)]	-		1 64 96 130
(v) Other Interest [Gross, Tax Deducted at Source Rs. Nil; (Previous year Rs. 22 16 30 582)]	1 52 149		98 25 09 594
		152 79 38 790	184 08 87 736
Add:			
Provision for Tax			
- Income Tax	49 822		35 17 81 800
- Fringe Benefit Tax	2 66 59 794		1 78 04 863
		2 67 09 616	36 95 86 663
Closing Balance		1141 40 64 775	226 64 85 146

The above excludes project materials purchased and transferred to holding company and other associate companies, at cost, aggregating to Rs. 405 30 35 439 (Previous year Rs. 35 96 05 781) which was purchased by the Company in order to achieve economies of scale.

- 2 During the previous year the Company had raised Rs.8100 00 00 000 through Initial Public Offering (IPO) and the same had been utilised for the Project during the previous year.
- 3 'Miscellaneous Expenditure' representing share issue expenses amounting to Rs. Nil (Previous year: Rs. 51 00 86 690) adjusted against the Securities Premium Account.
- 4 The Company's activities during the year revolve around setting up of the Project (Refer Note 1 above). Considering the nature of Company's business and operations, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Accounting Standard 17 - 'Segment Reporting', notified in the Companies (Accounting Standards) Rules 2006.
- 5 As per Accounting Standard 18 (AS-18) 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules 2006, the disclosures of transactions with the related parties as defined in AS-18 are given below :

- (i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr No	Name of the Related Party	Relationship
1	Reliance Industries Limited	Holding Company
2	Reliance Jamnagar Infrastructure Limited	Fellow subsidiary
3	Reliance Ports and Terminals Limited	Associate
4	Reliance Utilities Limited	Associate
5	Mr. Mukesh D. Ambani	Key Management Personnel
6	Mr. P. M. S. Prasad	Key Management Personnel



Schedules forming part of the Balance Sheet

SCHEDULE J (contd.)

(ii) Transactions during the year with Related Parties (Excluding reimbursements):

Name of the Company/ Nature of Transactions	For the year 2007-08	In Rupees For the year 2006-07
1 Reliance Industries Limited (“RIL”) ⁽¹⁾		
Opening balance		
Equity Shares	(3375 00 00 000)	(2700 00 00 000)
Corporate Guarantees given by RIL	(9030 98 71 891)	(6573 28 05 942)
Sundry Creditors	(18 57 26 307)	-
Transactions		
Proceeds from issue of Equity Shares	-	5400 00 00 000
Net utilisation of Corporate Guarantee given by RIL	3256 92 25 763	(2457 70 65 949)
Purchase of Project related Assets, Materials and Services	(440 85 38 218)	(209 44 71 838)
Sale of Project Material	315 53 45 002	16 47 05 999
Rent	(21 31 457)	(17 10 566)
Closing balance		
Equity Shares	(3166 95 80 300)	(3375 00 00 000)
Corporate Guarantees given by RIL ⁽²⁾	(5774 06 46 128)	(9030 98 71 891)
Sundry Creditors	(47 29 22 438)	(18 57 26 307)
2 Reliance Jamnagar Infrastructure Limited		
Opening balance		
Deposit placed	231 00 00 000	-
Transactions:		
Deposit placed	(68 00 00 000)	(231 00 00 000)
Purchase of Project materials	(101 08 39 350)	(14 07 86 625)
Sale of Project materials	52 41 81 099	7 75 86 706
Closing balance		
Deposit placed	299 00 00 000	231 00 00 000
Receivables	15 73 096	-
3 Reliance Ports and Terminals Limited		
Opening balance		
Deposit placed	150 00 00 000	-
Sundry Creditors	(14 59 714)	-
Transactions:		
Wharfage & Port Charges	(98 84 91 717)	(9 28 43 678)
Purchase of Project materials	(10 95 98 632)	-
Sale of Project materials	11 11 52 418	6 84 31 013
Deposit placed	-	(150 00 00 000)

Schedules forming part of the Balance Sheet

SCHEDULE J (contd.)

Name of the Company/ Nature of Transactions	For the year 2007-08	In Rupees For the year 2006-07
Closing balance		
Deposit placed	150 00 00 000	150 00 00 000
Sundry Creditors	(8 29 79 406)	(14 59 714)
4 Reliance Utilities Limited		
Opening balance		
Deposit placed	150 00 00 000	-
Transactions:		
Deposit placed	-	(150 00 00 000)
Sale of Project materials	26 23 56 920	4 88 82 063
Purchase of Project materials	(23 74 21 565)	-
Closing balance		
Deposit placed	150 00 00 000	150 00 00 000
Receivables	25 47 42 563	-
5 Mr. P. M. S. Prasad		
Transactions:		
Sitting Fees	(60 000)	(80 000)

Note:

- (1) Previous years' figures of RIL are regrouped to include related party transactions pertaining to erstwhile Indian Petrochemicals Corporation Limited ("IPCL"). Erstwhile IPCL was amalgamated with RIL by a Scheme of Arrangement sanctioned by the Hon'ble High Court of Judicature at Bombay vide its Order dated 12th June 2007 as modified vide its Order dated 11th July 2007 and by the Hon'ble High Court of Gujarat at Ahmedabad vide its Order dated 16th August 2007.

RIL holds 70.38% of the paid-up equity capital of the Company and is the holding company of the Company. RIL has proven track record of setting up mega scale projects. RIL, as the parent company, monitors the project progress and achievement of major project milestones. RIL also supports the project implementation through coordination with major project vendors, supervision of their performance and undertaking of the payment obligations of Rs. Nil (Previous year Rs. 15,160 crore) of the Company to such vendors.

- (2) Closing Balance of Corporate Guarantee given by RIL represents utilised amount against a total Guarantee amount of Rs. 11300 00 00 000 (Previous year Rs. 11300 00 00 000) given to Banks.

	As at 31st March, 2008	In Rupees As at 31st March, 2007
6 Additional Information (to the extent applicable):		
a Capital Commitments:		
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	903 61 86 696	5207 48 01 069
b Contingent Liabilities		
Claims against the Company/ disputed liabilities not acknowledged as debts	55 39 58 154	37 04 397



Schedules forming part of the Balance Sheet

SCHEDULE J (contd.)

		For the year 2007-08	In Rupees For the year 2006-07
7	Value of Imports on CIF basis in respect of :		
a	Capital Goods	9702 68 44 622	1607 09 49 198
b	Stores, Chemicals and Catalysts	747 93 31 346	-
8	Payment to Auditors (including Service Tax, wherever applicable):		
a	Audit Fees	90 00 000	60 15 300
b	Tax Audit Fees	18 00 000	7 50 000
c	Any other matter		
	- Prospectus related reports/ certificates	-	1 20 00 000
	- Certification and others	26 05 000	21 00 000
d	Out of pocket expenses	12 095	4917
		<u>1 34 17 095</u>	<u>2 08 70 217</u>
9	Expenditure in Foreign Currency:		
a	Interest on foreign currency loans	501 23 55 919	87 52 73 053
b	Technical know-how and Engineering Fees	1184 76 76 133	1852 77 62 634
c	Professional Fees	40 58 10 381	16 67 34 714
d	Issue Expenses	-	4 75 18 426
e	Freight and forwarding	117 99 45 105	9 03 02 918
f	Other matters	400 88 71 778	155 64 04 100
		<u>2245 46 59 316</u>	<u>2126 39 95 845</u>

10 Financial and Derivative Instruments:

- a. Nominal amount of derivative contracts entered into by the Company for hedging currency and interest rate related risks and outstanding as on 31st March 2008 amounts to Rs. 7733 01 87 080 (Previous year Rs. 4712 20 63 440). Category wise break-up is given below :

Particulars	As at 31st March, 2008	In Rupees As at 31st March, 2007
1 Interest rate swaps	4413 20 00 000	1086 75 00 000
2 Currency swaps	1447 07 37 830	1050 00 00 000
3 Options	1205 31 25 000	2411 43 30 450
4 Forward Contracts	667 43 24 250	164 02 32 990

- b. All financial and derivative contracts entered into by the Company are for hedging purposes only.
- c. In respect of outstanding derivative contracts which are stated in para 'a' above, there is a net unrealized gain as on 31st March 2008 which has not been recognised in the books, considering the principles of prudence as enunciated in Accounting Standard 1 "Disclosure of Accounting Policies" notified in the Companies (Accounting Standards) Rules 2006.
- d. Foreign currency exposure that are not hedged by derivative or forward contracts as on 31st March 2008 amounts to Rs. 10807 52 92 858 (Previous year Rs. 4347 00 00 000)

Schedules forming part of the Balance Sheet

SCHEDULE J (contd.)

- 11 The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised are charged off for the year are as under:

	In Rupees
Employer's Contribution to Provident Fund	75 17 769
Employer's Contribution to Superannuation Fund	5 97 761
Employer's Contribution to Pension Scheme	47 80 186

The Company has applied for exemption of its Provident Fund under Section 17 of Employee's Provident Fund and Miscellaneous Provisions Act, 1952. Conditions for grant of exemptions stipulates that employer shall make good deficiency, if any, in the interest rate declared by trust vis-à-vis statutory rate.

Defined Benefit Plan

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

	In Rupees	Leave Encashment (Unfunded)
	Gratuity (Funded)	
a. Reconciliation of opening and closing balances of Defined Benefit obligation		
Defined Benefit obligation at beginning of the year	2 23 406	18 65 000
Current Service Cost	5 77 145	58 93 590
Interest Cost	17 872	1 40 225
Actuarial (gain)/loss	69 56 704	2 98 67 554
Benefits paid	-	(2 24 369)
Defined Benefit obligation at year end	77 75 127	3 75 42 000
b. Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets	65 207	-
Actuarial gain/(loss)	-	-
Employer contribution	7 19 598	-
Benefits Paid	-	-
Fair value of plan assets at year end	7 84 805	-
Actual return on plan assets	65 207	-
c. Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at 31st March, 2008	7 84 805	-
Present value of obligation as at 31st March, 2008	77 75 127	3 75 42 000
Amount recognised in Balance Sheet	69 90 322	3 75 42 000



Schedules forming part of the Balance Sheet

SCHEDULE J (contd.)

	In Rupees	
	Gratuity (Funded)	Leave Encashment (Unfunded)
d. Expenses recognized during the year (Under the head "Payments to and Provisions for Employees-Refer Schedule 'J' Note 'I')"		
Current Service Cost	5 77 145	58 93 590
Interest Cost	17 872	1 40 225
Expected return on plan assets	65 207	-
Actuarial (gain) / loss	69 56 704	2 98 67 554
Net Cost	74 86 514	3 59 01 369
e. Investment Details	% invested	
	As at 31st March 2008	
L.I.C. Group Gratuity (Cash Accumulation) Policy	100	
f. Actuarial assumptions		
Mortality Table (L.I.C.)	1994-96 (Ultimate)	1994-96 (Ultimate)
Discount rate (per annum)	8.00 %	8.00 %
Expected rate of return on plan assets (per annum)	9.45 %	-
Rate of escalation in salary (per annum)	6.50 %	6.50 %

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. This being the first year of implementation, previous year figures have not been given.

12 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Rajesh Chaturvedi
Partner

Mumbai
April 16, 2008

For **Deloitte Haskins & Sells**
Chartered Accountants

P. R. Barpande
Partner

For and on behalf of the Board

Mukesh D. Ambani
Hital R. Meswani
Yogendra P. Trivedi
Mahesh P. Modi
Atul S. Dayal
Bobby Parikh
Michael Warwick
Joffrey R. Pryor
Ramesh Kumar Damani

- Chairman

} Directors

- Company Secretary

Additional information as required under Part IV of Schedule VI to the Companies Act, 1956**Balance Sheet Abstract and Company's General Business Profile:****I. Registration Details:**Registration No.

L	1	1	1	0	0	G	J	2	0	0	5	P	L	C	0	4	8	0	3	0
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Balance Sheet Date:

3	1	-	0	3	-	2	0	0	8
---	---	---	---	---	---	---	---	---	---

 State Code

										0	4
--	--	--	--	--	--	--	--	--	--	---	---

II. Capital raised during the year: (Amount in Rs. Thousands)Public Issue:

						N	I	L
--	--	--	--	--	--	---	---	---

 Rights Issue:

						N	I	L
--	--	--	--	--	--	---	---	---

Bonus Issue:

						N	I	L
--	--	--	--	--	--	---	---	---

 Private Placement:

						N	I	L
--	--	--	--	--	--	---	---	---

Share Application Money:

						N	I	L
--	--	--	--	--	--	---	---	---

III. Position of mobilisation and deployment of funds: (Amount in Rs. Thousands)Total Liabilities:

	2	7	3	8	1	0	9	0	2
--	---	---	---	---	---	---	---	---	---

 Total Assets:

	2	7	3	8	1	0	9	0	2
--	---	---	---	---	---	---	---	---	---

Sources of Funds:**Application of Funds:**Paid-up Capital:

		4	4	9	9	9	8	6	9
--	--	---	---	---	---	---	---	---	---

 Net Fixed Assets:

	2	3	2	7	4	2	8	4	4
--	---	---	---	---	---	---	---	---	---

Share Application Money:

						N	I	L
--	--	--	--	--	--	---	---	---

 Investments:

		2	4	3	8	3	2	0	0
--	--	---	---	---	---	---	---	---	---

Reserves and Surplus:

		8	9	4	8	9	6	0	0
--	--	---	---	---	---	---	---	---	---

 Net Current Assets:

			5	6	3	8	7	1	8
--	--	--	---	---	---	---	---	---	---

Secured Loans:

	1	2	8	2	7	5	2	9	3
--	---	---	---	---	---	---	---	---	---

 Miscellaneous Exp.:

						N	I	L
--	--	--	--	--	--	---	---	---

Unsecured Loans:

						N	I	L
--	--	--	--	--	--	---	---	---

 Profit and Loss Account:

								N	A
--	--	--	--	--	--	--	--	---	---

IV. Performance of the Company: (Amount in Rs. Thousands)Net Turnover:

						N	A
--	--	--	--	--	--	---	---

 Total Expenditure:

						N	A
--	--	--	--	--	--	---	---

Profit / (-) Loss before tax:

						N	A
--	--	--	--	--	--	---	---

 Profit / (-) Loss after tax:

						N	A
--	--	--	--	--	--	---	---

Earnings per Share in Rs:- Basic:

						N	A
--	--	--	--	--	--	---	---

 Dividend Rate:

						N	A
--	--	--	--	--	--	---	---

- Diluted:

						N	A
--	--	--	--	--	--	---	---

V. Generic Names of principal products of the Company:Item Code number:

				2	7	1	0
--	--	--	--	---	---	---	---

Product Description:

B	U	L	K	P	E	T	R	O	L	E	U	M	P	R	O	D	U	C	T	S
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Item Code number:

	3	9	0	2	1	0	0	0
--	---	---	---	---	---	---	---	---

Product Description:

P	O	L	Y	P	R	O	P	Y	L	E	N	E	(P	P)
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**ATTENDANCE SLIP**

Registered Office: Motikhavdi, P.O Digvijaygram, District Jamnagar – 361 140, Gujarat, India.

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint Shareholders may obtain additional Attendance Slip at the venue of the Meeting

DP Id*

Master Folio No.

Client Id*

No. of Shares

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 3rd ANNUAL GENERAL MEETING of the Company held on Saturday 7th June, 2008 at 9.30 a.m. at Motikhavdi, P.O. Digvijaygram, District Jamnagar 361 140, Gujarat, India.

*Applicable for investors holding shares in dematerialised form

Signature of Shareholder / proxy



Registered Office: Motikhavdi, P.O Digvijaygram, District Jamnagar – 361 140, Gujarat, India.

PROXY

I/We
of being
a Member/Members of the above named Company, hereby appoint
of or failing him
of
as my/our Proxy to attend and vote for me/us on my/our behalf at the 3rd Annual General Meeting of the Company, to be held on Saturday, 7th June, 2008 at 9.30 a.m. and at any adjournment thereof.

* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Adoption of Reports and Accounts		
2. Re-appointment of the following Directors retiring by rotation:		
a) Mr. Atul S. Dayal		
b) Mr. Bobby Parikh		
3. Appointment of Auditors and to fix their remuneration		
4. Appointment of Mr. Michael Warwick as Director		

Signed this _____ day of _____ 2008.

Reference Folio No./DP ID & Client ID

No. of shares _____

Please see the instructions overleaf.

Signature

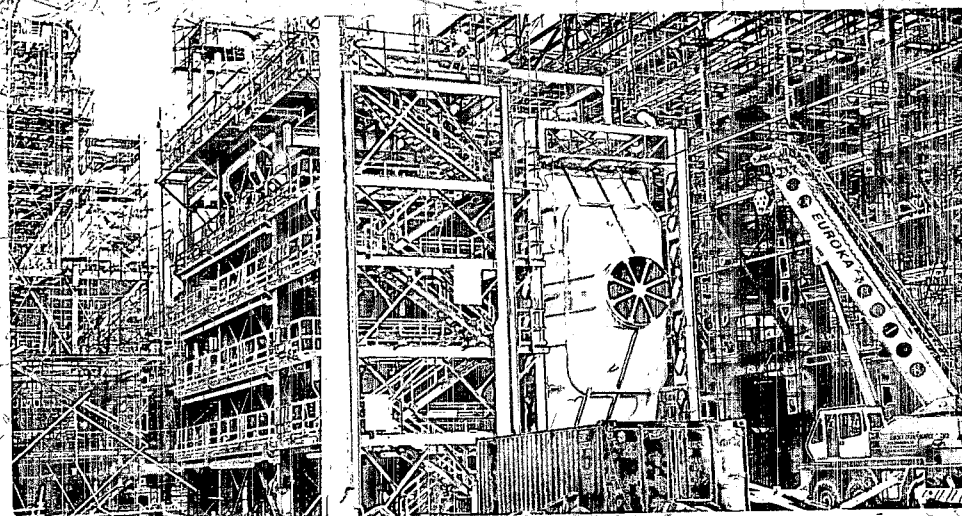
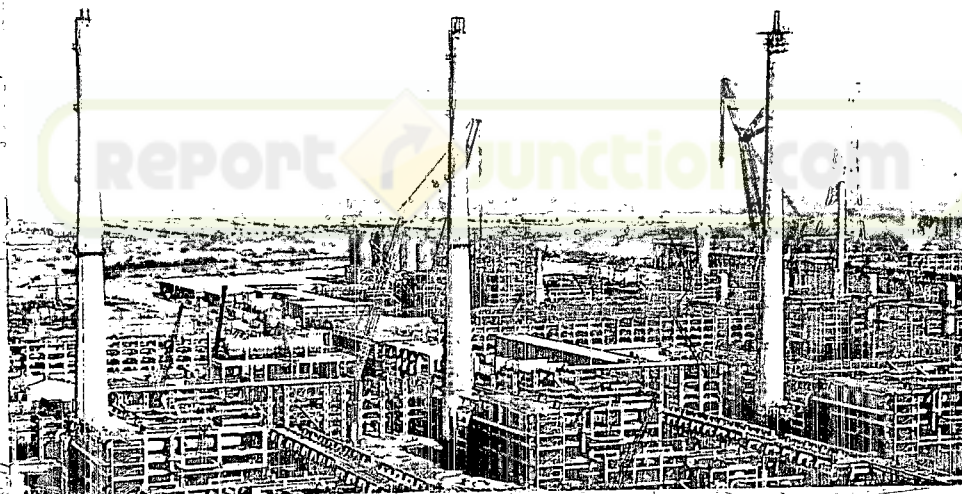
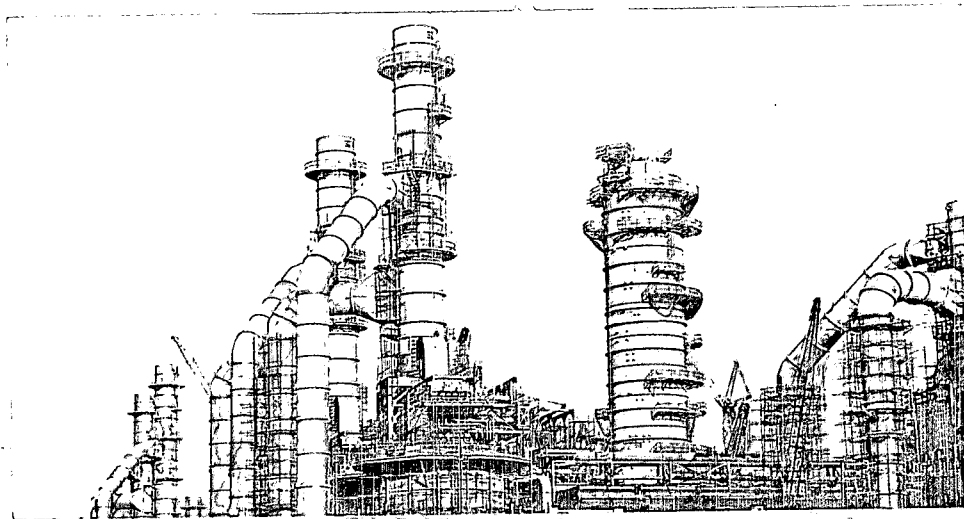
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Re. 1/-
Revenue
Stamp



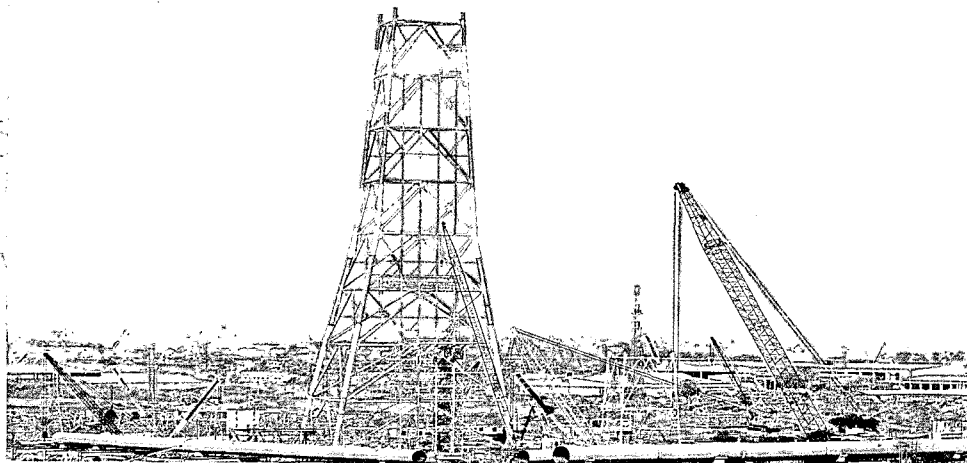
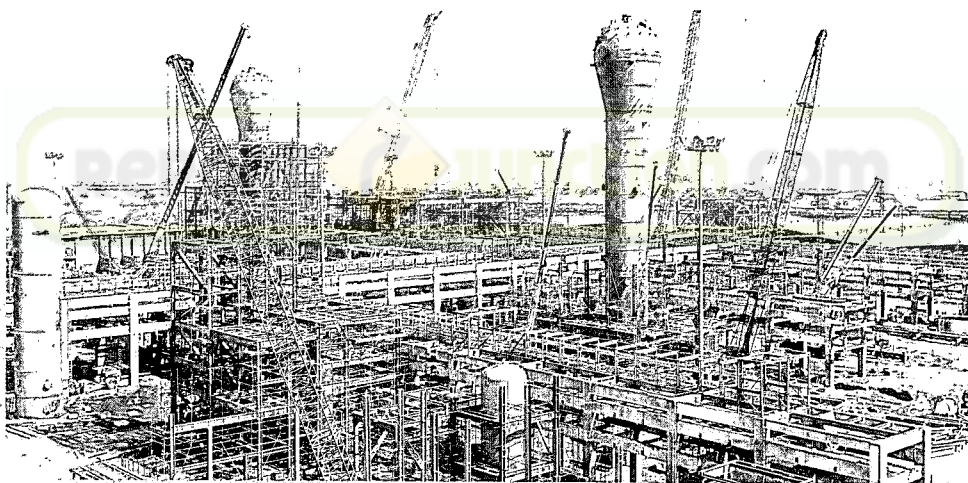
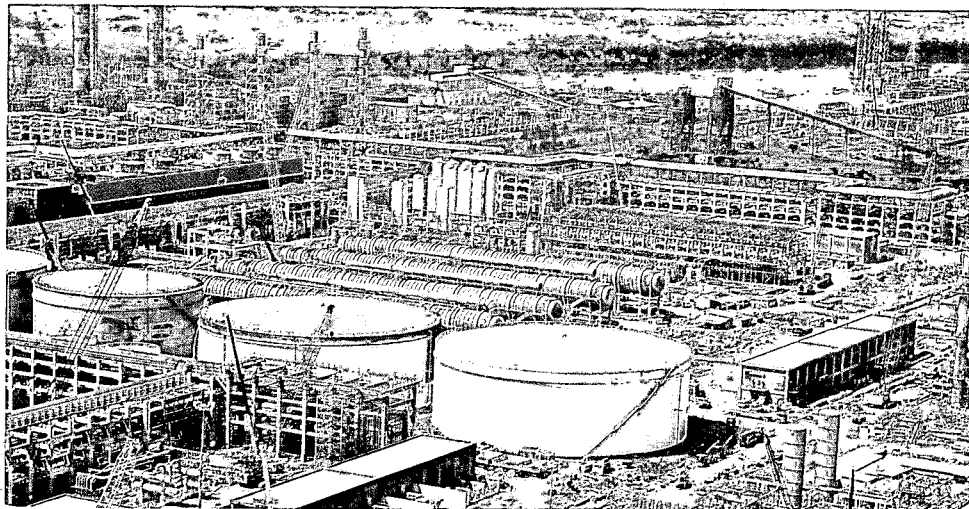
NOTES:

1. The Proxy, to be effective, should be deposited at the Registered Office of the Company at Motikhavdi, P.O Digvijaygram, District Jamnagar - 361140, Gujarat not later than FORTY-EIGHT HOURS before the commencement of the meeting.
2. A Proxy need not be a Member of the Company.
- * 3. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. Should you so desire, you may also appoint the Chairman or the Company Secretary of the Company as your Proxy, who shall carry out your mandate as indicated above in the event of a poll being demanded at the meeting.

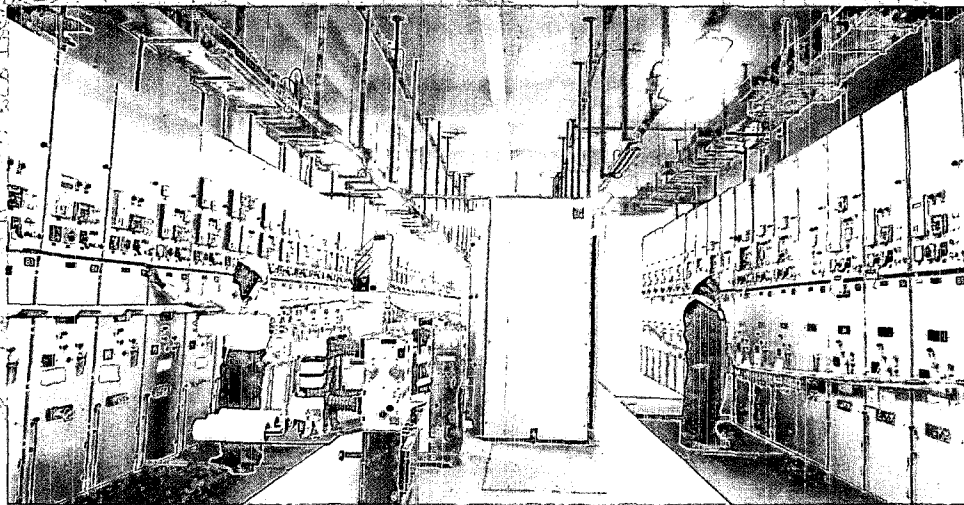
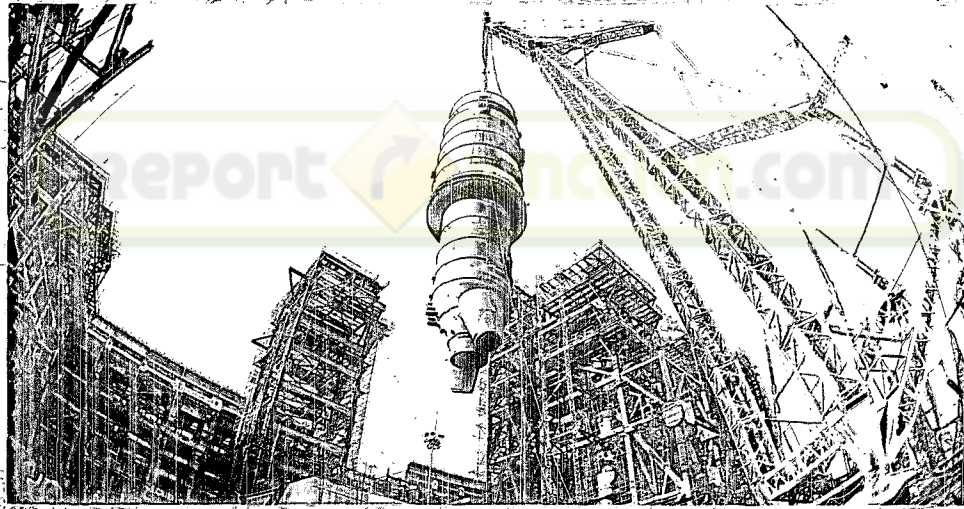
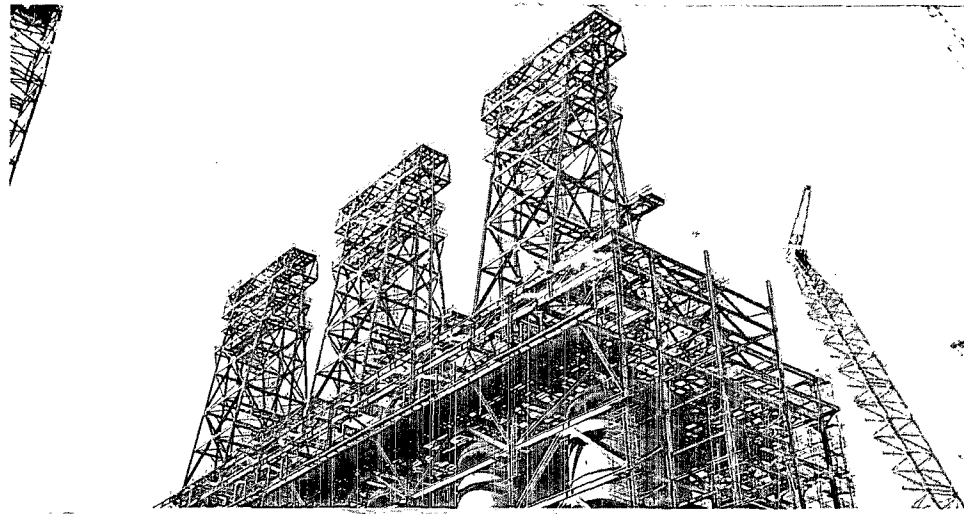
Redefining Scale



Redefining Speed

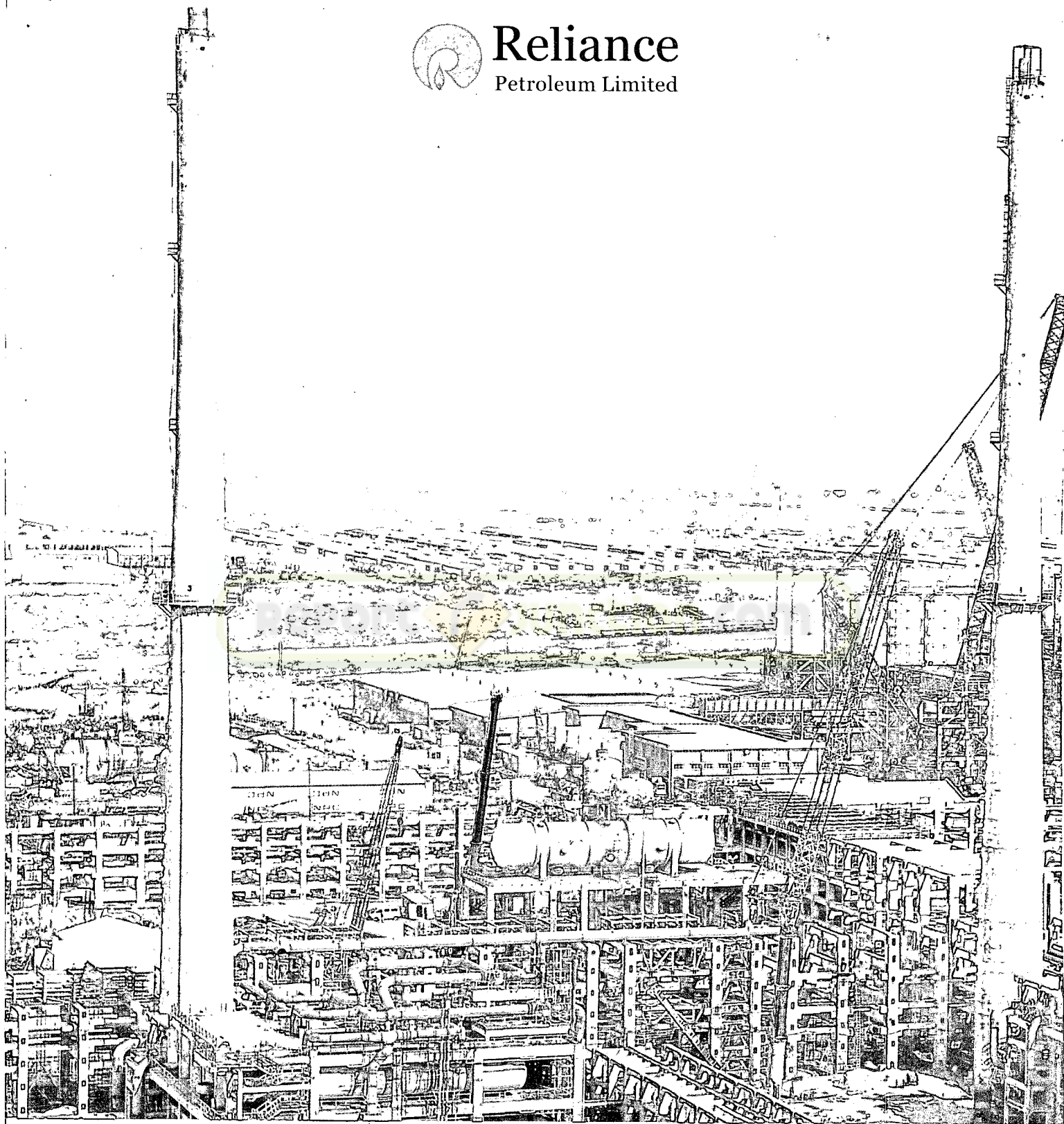


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